

City of  
Fremont

# CHILD CARE REPORT

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City of Fremont  
Child Care Task Force

Consultants:  
Berkeley Planning Associates

October 3, 1987



October 5, 1987





## THE FREMONT CHILD CARE TASK FORCE

1986 - 1987

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## EXECUTIVE SUMMARY

The Fremont Child Care Task Force has thoroughly reviewed the state of child care in the community, from the perspectives of parents and providers to those of business leaders and public administrators. The picture that emerges is that of a growing community which takes pride in providing a good environment for children and families, but which has serious problems coping with the increasing demand for good child care programs.

Parents in Fremont have a difficult task when seeking a quality child care program that is affordable and convenient. There is a shortage of quality licensed care of all types, with especially severe problems for infants and school-age children. Only a small fraction of the families eligible for state child care subsidies are accepted into such programs. The lack of spaces is compounded by the low pay of most child care providers, causing Fremont and surrounding communities to have an extremely high rate of caregiver staff turnover. The high turnover is but one contributor to deficiencies in the quality of many local child care programs.

Over the next two decades Fremont will grow substantially in population and the number of jobs in the community will nearly double. Both types of growth will put more pressure on the child care system, unless positive steps are taken by government and the private sector to create more programs.

The Task Force has compiled a wide range of strategies for increasing the supply of care, making it more affordable, improving its quality, and attracting and retaining qualified caregivers. The City has a central role in meeting each of these goals, and should begin action on these strategies as soon as possible.

Key strategies proposed by the Task Force include:

- Creation of a Child Care Commission and a City staff position to administer child care policies and programs.
- Review of new commercial and industrial developments for their impact on child care, and required mitigation of these impacts with new facilities, financial assistance for employees, or contribution to a Child Care Fund.
- Policies to stimulate the creation of more child care facilities in new residential developments.
- Incentives and technical assistance to promote employer-supported child care.
- Support for expanded voucher programs for lower income families.
- Purchase of portable structures to be made available to school age child care providers.
- Better coordination between the City and Fremont Unified School District to increase the availability of programs for school-age children.
- Grants to support improved pay, working conditions, and training opportunities for child care providers.
- Development of local child care quality standards and incentives to improve programs.

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## INTRODUCTION

Good child care is an asset to the community, a stimulus to the local economy, a source of strength and support for families, and a positive experience for children. Finding high quality, affordable child care is hard, and providing it is work that is difficult and often undervalued by society. These observations are as true in Fremont as in most other American communities. This report represents the findings and recommendations of the Fremont Child Care Task Force after a year of deliberation; exploration of community views; research on the City's child care system, government, and economy; and examination of alternative policies. We hope that our work will stimulate action on a wide number of issues, not only by the City government but by the numerous other public and private organizations upon which Fremont's families rely.

## THE ROLE OF CITIES IN CHILD CARE

Responding to the urgency of their citizens' child care needs, many California cities have in recent years adopted new child care policies and programs. The Task Force is proposing that the City of Fremont join cities such as Irvine, Concord, San Francisco, San Jose, Los Angeles, Sacramento, Oakland, Davis, Palo Alto, and Pleasanton in improving the quality and availability of child care. While these cities' policies vary, the rationales for their adoption are very similar, and are consistent with the beliefs of this Task Force about why the City of Fremont should become involved in child care policy. Among the compelling arguments for city involvement are the following:

- Support for child care enhances those activities and trends which are absolutely crucial to the survival of the city, including the growth of a productive workforce, the continued location and vitality of economic activities within the city and, most important, the preservation of a safe and healthy environment for families.
- Because the City is routinely engaged in dialogue and negotiations with developers and employers over economic

development matters, and because the City regulates the use of land, Fremont is in an excellent position to use its existing authority and personnel, supplemented by modest additional funds and staffing, to stimulate and facilitate private sector support for child care.

- The League of California Cities in October 1973 adopted an Action Plan for Social Responsibility which encouraged cities to identify all community social needs and plan, coordinate, and evaluate programs to alleviate identified social problems. A goal of this policy statement was to stimulate cities to anticipate and plan for the effects of their physical development policies on community social needs. Child care is a prime example of a social concern that is directly affected by physical and economic development activities within city boundaries. Therefore, just as cities have developed policies to regulate and oversee physical and economic development, they should also consider within their purview those social issues directly related to the impacts of such development.
- Each locality has its own set of child care priorities and its distinctive set of community resources. The city is better able than state or county governments to respond to the unique child care priorities of its citizens, and to coordinate the complex array of activities involved in its local child care system. The Task Force does not propose that the city work alone, but rather in conjunction with the school district, the local private sector, nonprofit agencies, parents, and child care professionals.
- Our projections show that child care problems will intensify in coming years in the absence of concerted community action. Moreover, demographers predict that nationwide the labor force participation rate of mothers of preschool children will continue to increase into the next century. The City has an opportunity to use fore-

sight and creativity to resolve child care issues now, preventing more serious consequences for children, parents, and the City as a whole in the future.

## **BACKGROUND ON THE WORK OF THE CHILD CARE TASK FORCE**

The Task Force was appointed by the City Council in 1986, upon the recommendation of the City's Human Relations Commission. It has included nearly 40 members, including parents, family day care providers, child care center directors, resource and referral administrators, directors of community service agencies, property developers, employers, labor representatives, pediatricians, clergy, members of several City commissions, representatives of school district and community college boards, and other interested and knowledgeable Fremont residents. Staff of the Human Services Department prepared a background paper, and facilitated the early meetings as well as the selection of Berkeley Planning Associates (BPA) as consultants. In December 1986, BPA and the Task Force developed a ten month work plan that culminates in the presentation of this report.

The first part of the work plan was to elicit goals and priorities from the Task Force and meld them into a manageable set of objectives for research and the development of policy recommendations. In addition to attending several meetings, many Task Force members were interviewed individually. BPA produced interim reports on local government child care planning and policy alternatives around the country, and on the state of Fremont's child care system at present.

The second phase of the work plan called for a great deal of input from the broader community. BPA and the Task Force would like to thank all of the people of Fremont who gave freely of their time, experience and information. More than 65 interviews were conducted with providers, elected officials, City staff, business executives, and educators. Data from a wide range of sources on Fremont's economy, government and child care system were analyzed. Several focus group sessions were held in which parents and providers offered up their experiences with the child care system.

Information collected during this second phase was presented to two



Task Force subcommittees, one on Needs and Programs and one on Finances and Economic Development, with all subcommittee materials mailed to the entire Task Force. Based on the findings and on their deliberations, the subcommittees developed a large number of recommendations. In July, these recommendations in written form were approved by the subcommittees and the Task Force as a whole, after which BPA commenced preparing a draft of this report.

## ORGANIZATION OF THIS REPORT

The next chapter describes the current child care system in Fremont, with an emphasis on the major problems and gaps in service. That is followed by an analysis of the projected growth of the city's residential population and employment. The demand for child care will grow in proportion to these increases. Chapter Three presents the Task Force's recommendations in five substantive areas (private and public support for child care; attracting and retaining qualified caregivers; expanding the supply of care; enhancing its affordability, especially for low-income families; and improving quality). These proposals are linked to a set of mechanisms -- described in Chapter Four -- for implementing Fremont's new child care policies: a new staff position, a commission, and a child care fund which would garner resources from a variety of sources.

## CHAPTER I

### FREMONT'S CURRENT CHILD CARE SYSTEM: MAJOR PROBLEMS AND NEEDS

This chapter presents an overview of Fremont's child care services, services that are important to summarize and understand before suggesting how child care in Fremont might be improved. Because Fremont is an already sizable city that is growing rapidly, a complete description of the child care system would be quite lengthy. The Task Force has chosen to focus on the **major problems and needs** in Fremont's system, priority areas that need particular attention from the City and other public and private institutions in the Fremont community. To highlight these primary concerns, this chapter is organized into four sections:

- Problems in the Recruitment and Retention of Qualified Caregivers;
- Gaps in the Supply of Child Care;
- Concerns with the Quality of Child Care; and
- Issues in the Affordability of Child Care.

#### PROBLEMS IN THE RECRUITMENT AND RETENTION OF QUALIFIED CAREGIVERS

The major constraint on both the supply and the quality of child care in Fremont is the shortage of qualified child care workers with a long-term commitment to the field. Child care professionals in Fremont question whether strategies to expand the supply of available care will work if child care staffing problems are not directly addressed as well. Most centers report high rates of staff turnover, which is disruptive for both children and parents. They also report difficulties in filling vacancies with qualified teachers.<sup>1</sup> In addition, most centers report that they have serious difficulty finding substitute teachers, sometimes resulting in a crisis situation when a staff member is out sick.

A 1986 study by the Child Care Employee Project (CCEP) of wages and working conditions for center workers in Southern Alameda County confirms the seriousness of the child care staffing problem in Fremont. This survey found a turnover rate of 57 percent for South County child

care teachers and a 43 percent rate for assistants.<sup>2</sup> CCEP reports that these turnover figures are more than triple the rate for child care teachers and double the rate for aides in Northern Alameda County.

CCEP and many child care professionals in Fremont argue that low wages, poor fringe benefits, and limited opportunities for advancement discourage many talented individuals from entering or remaining in the child care field. Table 1 shows both ranges of and average hourly wages earned by teachers, assistants, and directors in Southern Alameda County, broken down by center type. Interviews with providers in Fremont confirmed that entry level wages for child care teachers in Fremont average between \$5.00 and \$6.00 per hour. Even teachers serving as center directors earn little more than \$8.00 per hour, with teachers/directors of proprietary centers earning much less than that. CCEP survey results show that Southern Alameda County salaries for child care teachers and assistants average \$1.00 less per hour than in North County. In addition, fewer overall benefits are offered by South County centers.

Turnover among family day care providers is also very high. In addition, family day care providers report difficulty in finding substitutes and assistants (a second caregiver is required in large family day care homes.) Relatives and friends provide the main source of backup support for family day care providers. When this help is not available, providers cannot take release time or vacations, are overworked, and experience a great deal of job-related stress. While family day care providers have not been extensively surveyed, they generally earn little more than the minimum wage on an hourly basis.

Fremont providers believe that these low earnings reflect, in large part, parents' affordability problems. They maintain that they cannot raise fees without penalizing or losing the business of many working parents who earn low salaries themselves. As a result, many Fremont providers argue that strategies need to be developed that directly enhance the wages and benefits of Fremont child care workers without raising fees beyond their clients' ability to pay. In addition, providers feel that offering new training programs will not in itself recruit more caregivers to the field. Currently, nearly all those enrolled in what are intended to be pre-service training programs



Table 1

Hourly Wages for Child Care Center Workers  
in Southern Alameda County

PROGRAM TYPE	JOB TITLE			
	Teachers	Assistants	Director	Teacher/ Director
A. Range of hourly wage				
Non-profit, non-subsidized	4.26 - 8.00	3.50 - 5.50	7.69 - 11.00	7.03 - 10.00
Subsidized	4.25 - 11.13	3.50 - 6.50	6.50 - 11.00	5.50 - 7.07
Private, for profit	3.75 - 11.00	3.35 - 5.00	5.00 - 7.00	5.00 - 7.07
TOTAL	3.75 - 11.13	3.35 - 6.50	5.00 - 11.00	5.00 - 10.00
B. Average hourly wage				
Non-profit, non-subsidized	5.56	4.46	9.35	8.68
Subsidized	6.89	4.91	8.29	8.21
Private, for profit	5.09	3.86	6.20	6.69
TOTAL	6.11	4.28	7.61	7.85

Source: Child Care Employee Project, 1987

already have jobs.

## GAPS IN THE SUPPLY OF CHILD CARE

This section discusses several issues related to the supply of child care. First, it examines statistics for overall child care shortages. Then it reviews supply shortages for specific age groups and areas of the city, barriers to the startup of child care centers and family day care homes, special needs for child care, and employer supported child care.

Most people in Fremont agree that there is a serious shortage of child care available for those who need it. A 1986 Fremont Child Care Task Force report on child care reported that potentially 13,041 children in Fremont were in need of care, a number based on an estimate of employed mothers and the numbers of children needing care outside the home (see Table 2). If anything, this figure probably understates the need for child care in Fremont. First, it is based on 1980 census data, data that -- even considering projected increases -- is significantly out-of-date. The numbers of children living in Fremont, labor force participation rates, and estimates for children needing care outside of the home are probably all higher today. Secondly, the figures in Table 2 only represent the child care needs of Fremont residents; they do not show the additional demand for child care generated by parents who work in Fremont but live elsewhere. Many of these parents use or may want to find child care arrangements in Fremont (information on need created by development and employment in Fremont is presented in Chapter II of this report).

Table 2 also shows the total supply of licensed child care (there are no figures available on the extent of unlicensed care) available in Fremont as of October 1986. The licensed child care system had a total capacity of 2,933 spaces as of that date. A comparison of these need and supply figures, then, demonstrates that 43 percent of the children between the ages of zero and five and 85 percent of the children between the ages of six and nine who need care outside of the home are not in the licensed child care system (this also assumes that children between the ages of 10 and 14 do not need licensed child care, an assumption

Table 2  
Estimated Unmet Need for Child Care in Fremont  
 1985/86

Age Group:	0-5	6-9	10-14	Total Children 0-14
Number of children <sup>a</sup>	13,900	9,998	13,981	37,879
Estimated percentage of mothers in Bay Area labor force	55%	67%	67%	
Estimated number of children with mothers in labor force	7,645	6,699	9,367	23,711
Estimated number of children needing care outside of home (55% of children with mothers in labor force) <sup>b</sup>	4,205	3,684	5,152	13,041
Number of licensed spaces <sup>c</sup>	2,379	554 <sup>d</sup>		2,933
Number of children needing care not in licensed system	1,826	3,130		10,108
	43%	85%		78%

<sup>a</sup>Projected 2% increase over 1980 census data.

<sup>b</sup>Assumes some families use relatives, in-home caregivers, or have a part-time working parent (about one-third of working mothers work part-time). The assumption that 55% of children with mothers in the labor force need care outside of the home comes from the National Commission of Working Women.

<sup>c</sup>Alameda County Child Care Inventory, October 1986.

<sup>d</sup>Assumes all school age care serves children under 10 (in reality, a few programs serve children up to age 12).

Sources: 1980 census data for Fremont, Bureau of Labor Statistics, National Commission of Working Women; and Child Care Inventory for Alameda County, October 1986.



some might dispute; the percentage of latchkey children would rise to 94 percent without this assumption).

### **Supply Shortages for Specific Age Groups**

Along with the rest of the Bay Area, Fremont faces particularly severe shortages of child care for infants and school age children. These children need child care programs that are oriented to their particular needs, needs that often go unmet if infants and school age children are simply cared for in groups with two-to-five year olds. However, programs emphasizing these age groups face particular financial difficulties that discourage providers from developing or expanding them.

#### Infant Care

There is a severe shortage of space for infants in both child care centers and family day care homes in Fremont. Data from the Community Child Care Coordinating Council of Alameda County (4Cs), the local resource and referral agency, shows that for the six month period from March through August 1987, 45 percent of the calls received by that agency were from people looking for infant care (defined as care for children under age 2). However, only 15 percent of the Fremont licensed child care slots in October 1986 were available for infants.

The few infant care centers that do operate in Fremont report that they maintain long waiting lists. A total of only 20 spaces for children under a year old are available in all Fremont child care centers (not counting several small subsidized infant programs for teenage mothers, low-income families, and special needs children). Almost as scarce are child care center spaces for children between the ages of one and two.

While many family day care providers in Fremont offer some infant care, the maximum number of infants permitted in a family day care home is four, and few homes care for more than two children under the age of two. Many parents participating in discussion groups about child care in Fremont, as well as other informants about Fremont's child care system, also mentioned the particularly acute shortage of infant care in the city. One woman stated that she and several other employees at her

company were forced to quit their jobs when their children were born because they could not find child care. Another participant, a Lamaze childbirth instructor who trains 70 couples a year, reported that her clients are experiencing tremendous difficulties placing their infants in child care.

Both centers and family day care homes face especially large obstacles in providing infant care. The special care and attention needed by infants makes infant programs more expensive and, from the perspective of many providers, more difficult than programs for other age groups. Because of the high staff-to-child ratios required of infant care programs, (one adult for every four infants), many family day care and center providers report that they are unable to provide infant care at a fee that both covers their own costs and is affordable for most parents.

#### School Age Care

As Table 2 clearly illustrates, only 554 licensed child care slots existed as of October 1986 for the 8,800 children, ages 6-14, that are estimated to need care. If one assumes all these children need a structured child care program, then 6 percent of these children are being adequately served. On the other hand, even assuming that only children between the ages of six and nine need traditional licensed child care, the extent of unmet need is still tremendous: a mere 15 percent of children needing before and after school care are in programs.

Results of the Fremont Unified School District's 1984 survey of 12,600 parents at 26 elementary schools presents further evidence of the need for latchkey child care. Of the 3,500 parents who responded to the survey, 61 percent stated they would be willing to pay for a quality before and/or after school program, even if the fee had to be high enough to cover all costs. Seventy-nine percent of the parents either preferred at that time or anticipated a need within the next five years for an extended day program of educational and recreational activities for their children.

It is not only survey results that confirm large gaps in the school age care system. The comments of several observers suggest that the problem has recently grown much worse. For example:

- The supervisor for recreation leaders in the City's Community Services Department reports that the number of children at the park playgrounds has tripled over two years ago. She explains that many parents are leaving their children at the playground, where there is only one staff person to supervise as many as 90 children, for lack of a better arrangement.
- The Fremont Police Department has established a safety training program for young children in fourth, fifth, and sixth grades, in response to the large numbers of children in latchkey situations police officers are encountering. According to the police sergeant in charge of the program, officers sometimes encounter children as young as five or six who are on their own. A police officer working in the program estimates that about 40 percent of the children acknowledge they're on their own after school.
- Parents in the discussion groups sponsored by the Task Force consistently raised school age child care as a high priority need in the Fremont community.

The only centers in Fremont that serve school age children exclusively are those operated by the YMCA. Currently, the YMCA has programs at five of the city's 26 elementary schools, serving approximately 200 children in total (33 of these spaces are subsidized by the City through the Community Development Block Grant Program). The YMCA's latchkey program will expand to several additional schools in the next school year.

There are also several proprietary or non-profit centers -- as well as family day care homes -- that do accept some school age children. Even so, the number of spaces provided through these programs is limited.

Finally, the City of Fremont's Community Services Department sponsors free drop-in playground programs; arts and recreational classes that meet once a week for a fee; and a fee-based summer camp. However, although many school age children participate in these activities, none



of these programs offer extended hours suitable for a working parent, nor can they guarantee supervised, regularly scheduled care five days a week.

School age child care encompasses needs and programs for children of widely varying ages. Children between the ages of 10 and 14 need an entirely different set of services than six to nine year olds. Many providers and parents interviewed for this study stressed that separate programs are needed for each age group. Most agree that the younger school age child is better served in a structured program. Although many providers combine some school age care with care for younger children, they claim that ideally programs should be separate.

Children in the 10-14 age range may not need a program as completely structured as those for younger children. Parents often feel comfortable in leaving children on their own, as long as there are programs and activities in which they can participate. However, many providers and parents complained of the scarcity of such programs for older children. Transportation was another key concern raised by several informants. Even older children capable of traveling to organized activities on their own often are trapped at home or in their neighborhoods because transportation is unavailable.

There are several specific constraints that have inhibited the development of more school age child care in Fremont:

- As part-time care, school age care is not cost-effective for providers. As a result, providers usually limit their slots for school age children, even though they get a great many more requests than they can serve. While some family day care providers report that they are interested in serving only school age children, they would earn very little offering this type of care exclusively. (Typically, providers take in \$25-30 per week per school age child, or about \$150 per week for a small day care home serving six children.)
- According to the YMCA and the Fremont Unified School District, the major obstacle preventing further expansion of the YMCA latchkey program is lack of space at the schools.



- The Community Services Department also suffers from a space shortage in its seven community center facilities. Current programs, including the Tiny Tots Program for pre-schoolers and recreation classes, have kept these facilities booked solidly. Two additional community center facilities are in the planning stages.
- Many members of the Task Force, residents of the community, and City policymakers believe the school district should provide school age care directly. While FUSD considered this option in 1984, the Board decided that the District could not develop a self-supporting program, and that a substantial subsidy would be necessary to make child care affordable for most parents. School district officials contend that the District's financial situation still is too precarious to subsidize a District-sponsored child care program.
- The State Department of Education's School Age Child Care Program provides funds to local school districts and private organizations for extended day care. To be funded, at least half of the children served in a program must meet certain income requirements. Neither FUSD nor any private agency in Fremont has applied for these funds in the past, although the YMCA has received a minimal amount of State funding for start-up costs.

### Preschool Care

Unlike the broad consensus that programs for infants and school age children are scarce in Fremont, there is no general agreement about the adequacy of programs for preschoolers. Several providers contend there is actually a surplus of preschool slots in the city; few parents complain of being unable to find **any** care for this age group. Figures show that by far the largest number of licensed child care slots -- 67 percent -- are for children aged two to five.

However, many providers and parents claim that the apparent surplus actually reflects low quality in many preschool programs. A few child care centers with reputations for providing high quality care have very

long waiting lists, while other centers have no wait and may even have openings. Both providers and parents also report a great deal of unlicensed family day care, as well as numerous providers caring for more children than legally allowed. While many parents do not care about or are unaware of licensing, others are concerned about these completely unregulated child care providers and may be using them because they are unable to find adequate licensed care. What appears to be a surplus of preschool care, then, actually may represent a shortage of **high quality** licensed care. A later section of this chapter deals more extensively with the issue of quality child care in Fremont.

### **Supply Shortages in Specific Areas of Fremont**

To gain a sense of which areas of Fremont have the greatest shortages of child care programs, the Task Force asked 4Cs to provide information about the number of child care slots in both centers and family day care homes within a one mile radius of each of the 26 elementary schools. According to this information, clearly the areas with fewest programs are the Warm Springs District and Ardenwood. Schools in these two areas of the city have as few as zero to six child care slots within a one mile radius. The Centerville District also has a relatively limited number of child care programs close to several of its elementary schools. The following schools in Fremont have no child care programs within a one mile radius: Oliveria, Maloney; Warm Springs; Leitch; and Weibel. While the Task Force has no information about the number of children in these areas who may need care, relative to other districts, referral counselors at 4Cs confirm that parents in the Warm Springs area and in the newer communities such as Ardenwood and east of the Mission San Jose District have the greatest needs for nearby child care.

### **Barriers to the Startup of Child Care Centers and Family Day Care Homes**

Anyone interested in establishing a family day care home or child care center in Fremont, regardless of the age group served, faces several obstacles. Both permit processes and the expense of a new program can inhibit likely candidates.

### Family Day Care Homes

City permit policies are particularly onerous for family day care home (FDCH) providers seeking to expand from serving six to 12 children.<sup>3</sup> The local State Department of Social Services licensing office reports it receives very few expansion applications from homes in Fremont.

The State of California allows cities three options in the oversight of family day care home expansion:

- treating large homes like small homes, exempting them from all zoning restrictions;
- requiring a zoning administration permit without a hearing;
- requiring a conditional use permit which involves neighborhood notification and a hearing.

Technically, localities are permitted to deny permits only on the basis of noise, traffic, and service density considerations. Fremont's ordinance governing FDCH expansion falls somewhere between the intermediate and most stringent options. Providers must apply for a zoning administration permit and neighbors must be notified of the proposed expansion. The City also charges providers a \$200 permit fee.

Many providers believe that the notification process is a red flag to neighbors. While neighbors may otherwise be happy with or unaware of a FDCH, they will take advantage of an explicit opportunity to protest. Providers are generally more than willing to comply with the zoning department's stipulations on noise control, traffic and parking control, and hours of operation. But providers report that neighborhood protest stems from unrealistic fears of declining property values or changing neighborhood character, or from personal dislike of a provider. Providers also believe the City permit fee is unnecessarily high.

Another barrier to expansion reported by FDCH providers is expense. Startup costs total about \$500, not including insurance costs, new toys or equipment, or capital improvements for the home (capital improvements are usually unnecessary). Besides the \$200 City fee, this \$500 usually includes costs of fire prevention materials and beds for additional children.



Both large and small family day care providers also report publicity problems. Many believe that most parents do not call the local resource and referral agency, 4Cs. As a result, some providers complain of not receiving sufficient referrals from this source.

### Centers

Fewer center directors complained about specific startup problems. However, there are some City practices that might be re-examined to ease the startup burden on center operators.

While child care centers are permitted in nearly all Fremont neighborhoods, centers must obtain a conditional use permit, a process involving a hearing before the planning commission. Several center directors claimed that the planning commission required them to make extremely expensive street improvements which in some cases were not clearly linked to the impact of their own projects and, in other cases, were simply unaffordable. In addition, permit fees -- including those for zoning and environmental impact review -- may add up to more than a thousand dollars for centers.

Constructing a new child care center can cost several hundred thousand dollars. All of the new centers interviewed for this study either were in newly constructed facilities or were located in churches. While several center directors mentioned the need for financing help for startup, few mentioned it as a high priority. Directors also argued that assistance should be targeted to those programs serving groups suffering the greatest shortages (infant, school age, low-income, or special needs children).

### **Special Needs for Child Care**

In addition to shortages of care for specific age groups, Fremont's current child care system has several service gaps identified by parents and others knowledgeable about child care in the city. The special service needs mentioned most often by Fremont respondents are:

- o care for mildly ill children;
- o care for children with disabilities;
- o more flexible hours, including evening care, drop-in care, part-time care, and 24 hour care.



### Care for Sick Children

Although care for mildly ill children (e.g., children in the second week of chicken pox or children with colds) generally was not the first need mentioned, the issue of child care for sick children arose repeatedly as an area requiring attention in Fremont. Many parents participating in the focus groups conducted for this study raised concerns; providers and others in the child care system also highlighted the need for more options to handle ill children.

Currently in Fremont, no child care centers or FDCH's serve ill children exclusively. There are individuals exploring options, including providing in-home caregivers to families with ill children and establishing a center for sick children. Recently, Washington Hospital also considered establishing a center in its pediatrics ward, but rejected the idea for several reasons. One concern was that care for sick children would have to be subsidized to be affordable. Without a subsidy, such care at a center can be as much as \$40 per day. Unsubsidized in-home care can cost anywhere from \$55 to \$80 per day.

### Care for Disabled Children

There are no child care programs in Fremont which serve disabled children exclusively. While there are several programs that provide a wide range of early intervention, therapeutic, educational and recreational services for disabled children, none of these programs provides full-day child care. The only center licensed to provide part-day care is the Agency for Infant Development, which offers a full range of services for developmentally delayed and physically disabled infants up to three years of age.

Some centers, such as Tri-Cities Children's Center, will take disabled children in their regular child care program if they do not have major equipment needs. According to 4Cs, 60 of Fremont's 200 licensed family day care homes state they are willing to care for special needs children. However, it is not known what kinds of children these homes will agree to take; what special services, if any, they offer; or to what extent these providers have been trained to care for special needs children.

employers must be mobilized as well. Representatives of several companies were interviewed, firms which together employ nearly 6,000 employees in Fremont. They included large manufacturing firms, a start-up company, a hospital, and a large banking company.

The level of involvement in child care among companies contacted varies considerably. Few currently have any child care support policies in place. The support that is available from some of these companies includes flexible or cafeteria benefit plans, dependent care assistance plans (through which a portion of salary is designated for child care expenses and thereby sheltered from income taxes), and enhanced information and referral programs for employees (often through a contract with 4C's). While most of the companies contacted are currently doing nothing directly or indirectly to support employee child care, a few had either completed employee surveys of child care concerns or were planning or considering surveys. Questions about employer interest in supporting employee child care in the future elicited the following information.

- There is some interest in indirect support, including tax set-asides, cafeteria benefit plans, and enhanced information and referral services. For the most part firms contacted are not now seriously considering on-site care or direct support of employee child care through vouchers.
- One firm contacted probably would consider employee vouchers or an on-site center, depending on how a center slated for another of the firm's plants works out. Only one other employer interviewed had seriously explored (though ultimately rejected) a near-site center proposal.
- There was less interest in flex-time than might be expected, manufacturing firms in particular pointing to the nature of their work as an impediment. However, one large banking firm is considering the establishment of flex-time as a high priority.
- A couple of representatives of smaller companies (100-150 employees) thought their firms might help support a center or fund employee child care as part of a

Finally, very limited respite services are available for parents of disabled children through the local Regional Center serving developmentally disabled, autistic, or cerebral palsy cases. Funding for respite care is insufficient to allow parents to work, and other funding of child care for Regional Center clients is beyond the Center's budgetary capacity.

### Flexible Hours for Care

Another request heard repeatedly from parents is more convenient and flexible hours for child care. Parent's needs in this area vary widely according to their particular employment and life circumstances. Generally, however, parents complained about the particular difficulties of finding the following types of care arrangements:

- **Evening care** - This is especially a problem for single parents who are attending school at night while working during the day.
- **Drop-in care** - Many parents--both working and non-working--expressed a need for such short-term care, particularly for infants under the age of two.
- **Care in off-hours** - This overlaps with the need for evening care. Employees working in shifts other than 8-5, those who must be at work very early in the morning, and workers with rigid schedules all complained about the shortage of care appropriate to their needs. Personnel representatives of several large manufacturing firms and the local hospital also emphasized the special child care needs of their employees working evening or night shifts.
- **Part-time care** - The City's part-time preschool enrichment program, Tiny Tots, is filled to capacity and has a long waiting list.

### **Employer Supported Child Care**

One goal of this study has been to assess the current state of employer support for child care in Fremont and to determine how further support might be encouraged and facilitated. The public sector alone cannot solve the City's child care problems; private and public



consortium of employers, emphasizing their companies are too small to sustain their own centers; however, they pointed to the need for facilitating such corporate contributions.

- There was some interest in developing mechanisms for large employers to discuss child care issues and learn about support options in more detail; however, one respondent cautioned that such a forum would have to be structured to appeal to the self-interest of employers, for example by offering to show quick ways of assessing employee need for child care.
- Although corporate foundations or giving departments were not contacted, there appeared to be a willingness on the part of some companies to consider local in kind or monetary contributions to child care efforts as part of an employer consortium.
- Several employers are part of larger multi-plant firms, some of which are more active in child care in other locations; with a local catalyst for action, some of these firms may be convinced to support Fremont employee child care more actively.

## CONCERNS WITH THE QUALITY OF CHILD CARE

Many parents and child care professionals complained in interviews and discussion groups about the quality of child care generally available in Fremont. They told of experiences or needs in the following areas:

- **Staff-child care ratios** - several parents and providers reported blatant disregard for state staff-child ratio requirements by some providers;
- **Safety** - some providers have little knowledge of home safety, first aid, and CPR;
- **Abusive or neglectful care** - examples cited were forcing children to stay in a garage the entire day, leaving children unattended for long periods of time, and sending



children on their own to a neighborhood park;

- **Health** - parents mentioned inferior health, cleanliness, and nutrition standards;
- **Poor provider-child communication** - for example, parents pointed to instances of providers yelling inappropriately at children;
- **Staff turnover and training deficiencies** - both center staff and family day care providers need more training in all quality areas, parents claimed, and ways need to be found to encourage providers to stay on the job.

While it is impossible for the Task Force to know precisely how widespread such problems are, it is clear that many parents are concerned. As one parent stated: "It's frightening out there... I've spent many hours, many sleepless nights worrying about child care."

In addition to these reports of poor quality, parents also complained of the **dearth of quality programs emphasizing developmental, not just custodial care**. Many parents wanted more developed curriculums, structure, and teaching. Child care professionals, particularly those who train child care workers, also described a general lack of creativity in programming. They characterized many child care providers as overworked and only barely coping with day-to-day situations.

Another area needing improvement, according to many parents and some providers, is **parent/provider communication**. Parents complained of being unable to visit programs they were considering during hours of operation and of receiving little feedback about their children. Some parents felt that providers do not make enough of an effort to understand their needs and frustration about inflexible provider rules for arrival and pick-up of children.

Many parents stated they would like to see more community standardization and regulation of child care ("the City should take responsibility for quality control.") State licensing requirements were not viewed as sufficient to ensure quality. Both parents and professionals stated they had seen poor quality in some licensed situations and good quality in some unlicensed situations. A few parents also wanted special attention paid to the training needs of family day care providers and unlicensed individuals providing care. Most parents also

recognized that caregivers are paid very little and must endure many job-related stresses.

## **Training**

Training programs for caregivers in Fremont are available through the community college system and 4Cs. Additional workshops at 4Cs for family day care providers have been funded by the California Child Care Initiative Project (a statewide consortium of employers), with the main purpose of recruiting more FDCH providers. In addition, many child care centers provide their own in-service training programs. However, according to a child care professional who taught in the Ohlone College program, these training opportunities have not necessarily led to improved child care programs. Though well trained, students "somehow sink to the level of service that's prevalent in Fremont" once they leave the program. This as well as other professionals believe there is a need for **ongoing** training and support for caregivers after their initial training. Most of all, as emphasized in the first section of this chapter, caregivers need more recognition, higher wages, and improved benefits.

Child care professionals mentioned the following specific training needs in Fremont:

- **School age care training** - Many people working in this field now have either preschool or school aide training, an inappropriate background for dealing with school age developmental and programming issues.
- **Infant care training** - Very few courses are offered despite the need for infant care in Fremont.
- **Center director training** - There are needs for programs in financial and personnel management, as well as in child care programming.
- **Family day care provider training** - In the past, workshops have not been well-attended. Ideally, training should occur in FDCH's, with periodic workshops to provide peer support.

### **Information, Advice, and Parent Education**

Many parents brought up the need for a central information source on child care, with up-to-date lists broken down by neighborhood or school. Several parents were unaware of 4Cs, though they had looked for care in the community. While it is difficult to determine if this criticism of information sources actually reflects frustration with the shortage of quality programs, 4C's probably does need to improve its visibility in the community. Parents also asked for more advice and assistance in looking for care, particularly in how to evaluate program quality.

Many opportunities for parent education exist in Fremont. In addition to parent workshops offered through 4Cs, classes are available through Fremont Unified School District's Adult Education Program and through Ohlone College. Many child care centers also offer parent education programs.

### **ISSUES IN THE AFFORDABILITY OF CARE**

While child care shortages are burdensome for all families needing care in Fremont, low-income families are in an especially difficult situation. Currently, a severe shortage of subsidized care exists throughout Southern Alameda County. According to a 1985 United Way report, only one in eight children eligible for state subsidies in South County actually receives them. The director of a subsidized center in Fremont estimates that about 200 Fremont families are on the center's waiting list, translating into an average wait of two to two-and-a-half years. Resources for Family Development, which operates the voucher program for low-income families in Fremont, estimates that families must wait at least one year for services.

All of these families are working families who undergo severe hardships when forced to pay for market rate child care. About 80 percent of them are single parents.

Currently only eight percent of child care slots in Fremont are subsidized and only a fraction of eligible children are being served. Yet a confusing array of programs exists for low-income families. Tri-Cities Children's Center, subsidized by the state to offer care to low-



income children up to age five, serves 130 subsidized children. Resources for Family Development serves 50 Fremont families through the State Alternative Payment Program, which provides monthly payments to any child care provider selected by a family meeting the program's income requirements. Another approximately 50 Fremont families are subsidized for the care they choose through the Job Training Partnership Act (JTPA) program. Several more families participate in alternative payment programs operated by the Professional Association for Childhood Education (PACE), Alameda County, a few child care centers, and a handful of employers. Finally, the City of Fremont, through its Community Development Block Grant Program, partially subsidizes 33 slots for low-income children in the YMCA's Latchkey programs.

Other subsidized programs in Fremont include FUSD's partial day State preschool program; Head Start, the federally funded partial day child enrichment program; and FUSD's Young Mothers Program for pregnant minors, which operates its own small infant center and has 10 slots reserved at Tri-Cities for infants of its participants. Finally, the Respite Program, operated through 4Cs in Southern Alameda County, is a small program that provides interim child care for abused and neglected children or for those children at risk of abuse and neglect.

For most of these programs families do pay something for their child care, although in amounts commensurate with their incomes. The average parent using subsidized care pays only \$.80 per day but some pay as much as \$6.00 per day.

The State's new program for welfare recipients, Greater Avenues to Independence (GAIN), is scheduled to begin in Alameda County in 1988. GAIN will include child care for parents moving into the workforce (only parents with school age children are required to participate). Four Cs, which will coordinate child care services for GAIN in Southern Alameda County, reports that these services will include a vendor-voucher program, additional referral services, and programs to expand the supply of care. While the majority of South County's GAIN clients will not reside in Fremont, the program can be expected to impose an additional strain on school age child care services that already are in extremely short supply.



**Costs of Care**

The costs of child care in Fremont generally are lower than in other Alameda County cities. According to the 1986 Child Care Inventory, average weekly costs are \$72 for infants, \$65 for pre-schoolers, and \$47 for school age children. Fremont's costs are among the lowest in Alameda County for preschool and schoolage care, and about mid-range for infant care.

## NOTES TO CHAPTER I

<sup>1</sup>State law requires that teachers in day care centers have a minimum of 12 college units in early childhood education, but many center directors prefer to hire teachers with at least a two-year college degree.

<sup>2</sup>Turnover rates are defined by CCEP as the number of teachers who left programs during the previous year for reasons other than layoffs caused by low enrollment.

<sup>3</sup>To be licensed to serve six children, FDCH providers need only comply with State Department of Social Services (DSS) regulations; they do not need City approval.





## CHAPTER II

### FUTURE DEMAND FOR CHILD CARE IN FREMONT

Fremont, already the second most populous city in Alameda County, is projected to gain substantial numbers of new residents and new jobs over the next decade. As a result of both of these types of growth, the demand for child care will also continue to grow by several hundred slots per year. This will add to the shortfall currently facing the community, unless a major effort to expand the supply of care is undertaken. In this chapter we will present information on households, school enrollments, and the labor force in order to portray the extent of the demand for child care.

#### General Population Trends

The projected increases in residential population and employment for Fremont over the next two decades reflect the extensive amount of new construction expected by regional planners. According to the Association of Bay Area Governments, for the period 1985 to 2005, Fremont ranks first among Alameda County cities in projected total population increase (49,900), number of additional households (22,300), number of additional employed residents (37,700) and number of new jobs (47,800). Whereas the total population of the County will increase by 18.7 percent, the population of Fremont will increase by 34 percent (see Table 3).<sup>1</sup>

Fremont and the County are already representative of the trend whereby the majority of mothers of young children are in the labor force, a phenomenon that is expected to continue in coming years. Nationally, in 1984, 46.8 percent of the mothers with children under one year of age were in the work force, 54.5 percent of those with children ages three to five, and 66.6 percent of mothers with children between the ages of six and 17.<sup>2</sup> In Alameda County, the labor force participation of women will rise from 58.0 percent in 1985 to 65.3 percent in 2005, representing 101,000 additional workers.<sup>3</sup>

Fremont will continue to be a city oriented to family households, though the average number of persons per household will decline slightly

Table 3

Population and Employment Increases for Fremont and Alameda County1980 - 2005

	<u>1980</u>	<u>1985</u>	<u>1990</u>	<u>1995</u>	<u>2000</u>	<u>2005</u>
<u>TOTAL POPULATION</u>						
Fremont	131,960	148,500	167,900	184,500	191,400	198,400
Alameda County	1,105,379	1,191,450	1,256,650	1,313,450	1,360,300	1,414,000
<u>HOUSEHOLDS</u>						
Fremont	44,129	49,790	57,760	64,670	68,800	72,050
Alameda County	426,092	451,750	480,930	511,390	539,320	563,100
<u>EMPLOYED RESIDENTS</u>						
Fremont	67,169	81,500	97,900	109,600	115,000	119,200
Alameda County	522,093	600,400	665,800	719,900	755,000	789,900
<u>TOTAL JOBS</u>						
Fremont	33,711	42,400	55,600	71,800	82,400	90,200
Alameda County	511,158	559,800	622,400	692,200	740,600	776,900

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Source: Association of Bay Area Governments, Projections '87 (1987).

(from 2.94 to 2.71 in 2005, still well above the County-wide average.) As the birth rate declines, the number of young children in the county will increase only slightly. Fremont will probably experience this declining birth rate as well, but the large amount of construction of new family housing will keep the population of children on the increase for a longer period than in many other Bay Area communities.

### **The School-Age Population**

The next five years will see substantial growth in the numbers of children in elementary grades, the ages for which most school-age child care is intended. Based on enrollment from comparable existing projects, consultants to the Fremont Unified School District determined that the projected construction of additional dwellings would add 8,036 students (4,046 elementary, 1,075 junior high, and 2,915 high school) by the year 2006.<sup>4</sup>

The District's projections of total enrollment show steady increases in the number of younger children over the next five years. The increase in the elementary grades from 1987-88 to 1992-93 is expected to be 2,641, which is 20 percent over current enrollment. Table 4 shows year by year changes for grades K-6 in both the number of pupils generated by new housing and the total District enrollment. Clearly most of the net increases will be the result of new housing--without the new construction enrollment would likely decline as early as 1990.

The supply of school-age programs is very small compared to the need, based on labor force participation and on the results of a District survey of parents reported in the previous chapter. To this shortfall the elementary grades enrollment increases will add roughly 400 children a year in search of at least a part-time program, based on preferences indicated in the 1984 survey of school district parents. Junior high school students, who are in need of after-school programs of a different sort, will also be more numerous in the 1987-1992 period, increasing by 29 percent.

### **The Population of Preschool Age Children**

The next half-decade will see growing numbers of preschool age children in Fremont. County-wide the 0-4 year old population will grow



Table 4

Projected Changes in Fremont Public Elementary School Population1987 - 1992

	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
<b>Elementary students residing in new dwellings</b>						
yearly increase	247	251	255	259	262	271
cumulative	247	498	753	1,011	1,274	1,545
<b>Total District elementary enrollment (Grades K-6)</b>						
yearly increase	322	1,413	786	227	130	85
cumulative	322	1,735	2,521	2,748	2,878	2,963
total K-6 population	12,947	14,360	15,146	15,373	15,503	15,588
Kindergarten	2,073	2,175	2,294	2,423	2,579	NA

Sources: UrbanPlan, "AB 2926 Development Fee Implementation Study" prepared for Fremont Unified School District, December, 1986; Fremont Unified School District, Instructional Services Division, five-year enrollment projections, 1987-1991; and memorandum from Superintendent Wayne Ferguson to City of Fremont, March 1987, re: Santa Fe Pacific Durham Road General Plan Amendment.

substantially for roughly the next five years and then will level off or decline in some places (Table 5). The five to nine year old population will grow quickly until 1995, and then level off. FUSD kindergarten enrollment is projected to increase steadily by five percent annually (about 100 additional students per year) for the next five years, suggesting a similar rate of growth among younger children.<sup>5</sup>

If the preschool population were to increase at five percent per year for the next five years, and the proportion of families seeking child care were the same as that of the present preschool population, approximately 210 additional slots would be needed each year.

In summary, trends in the near future suggest that Fremont parents will be seeking about 400 school-age and 210 preschool slots each year in excess of the present demand for care. Since the entire supply of licensed care is presently under 3,000 slots, this represents a major challenge to a system that already faces severe shortages, especially for infants and schoolage children. Beyond the early 1990's the rate of increase of the child population may slow, but new housing construction will continue to bring a number of new child care seekers into the community.

### **Employment Trends**

Fremont is steadily becoming an employment center in the Bay Area, and its ratio of jobs to residents is increasing. New jobs are being added at the rate of almost 2,500 per year. Table 6 shows the sectors in which ABAG, based on its study of local zoning and plans and the regional economy, expects Fremont's growth to occur. Since the City is in the midst of several planning efforts that may well alter the total amount of development, balance among types of employment or between industrial and residential development, these projections should not be taken literally but as a rough guide to development trends.

The share of public school construction costs that will be generated by the children of new employees living in Fremont would exceed the amount that could be raised by the maximum fee the School District is permitted to charge on commercial and industrial development, according to District consultants. By means of a telephone survey of over 200 Fremont workplaces, the FUSD consultants also determined

Table 5

Population by Age, Selected Groups, Alameda County

<u>AGE</u>	<u>1980</u>	<u>1985</u>	<u>1990</u>	<u>1995</u>	<u>2000</u>	<u>2005</u>
0-4	72,537	85,300	89,300	89,300	88,300	88,300
5-9	70,721	78,300	85,300	89,000	89,500	89,600
10-14	79,360	79,300	83,400	88,100	90,700	92,300

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Source: Association of Bay Area Governments, Projections '87 (1987).



Table 6

Major Categories of Jobs in Fremont1980-2005

	<u>1980</u>	<u>1985</u>	<u>1990</u>	<u>1995</u>	<u>2000</u>	<u>2005</u>
Agriculture & Mining	1,140	1,040	870	730	590	490
Manufacturing & Wholesale	3,926	5,330	10,640	18,780	21,770	26,000
Retail	8,488	11,640	14,820	17,000	16,930	17,710
Services	11,870	14,770	16,080	18,030	22,860	23,710
Other	8,287	9,670	13,170	17,220	20,240	22,320
TOTAL JOBS	33,711	42,400	55,600	71,800	82,400	90,200

Source: ABAG, Projections '87

that 24 percent of the children of the new employees would be younger than school age, 35 percent of elementary school age, and 41 percent older.

Survey findings from a variety of workplaces in a number of other cities indicate the proportions of the work force who will need child care programs. (Averaging results from these surveys show that 18.6 percent of the workforces needed child care at any one time.)<sup>6</sup> The application of these proportions to the expected increase in Fremont employment is a useful guide to future demand. By the time 47,800 new jobs are created (2005, by ABAG's projection), roughly 8,900 of these new employees would need care for at least one child at any given time. This is equivalent to almost 500 new families each year seeking child care.<sup>7</sup> Even if the number of jobs created is only two-thirds of the ABAG projection, the additional demand for child care will approach 6,000 families, or 330 families per year from 1987 to 2005.

#### **Merging Residential Population and Employment Child Care Demand**

We have shown that both residential and employment growth will generate demand for additional child care. Clearly some of the employees will also live in Fremont, so they should not be counted twice in a combined estimate.

Although very recent information is not available, we know that most Fremont residents do not work in the city where they live. The 1980 Census reported that 32.6 percent of employed Fremonters worked in Fremont.<sup>8</sup> As Fremont's employment grows, however, the ratio of jobs to employed residents will grow,<sup>9</sup> suggesting that more Fremont residents will find work in their home town. Living closer to one's work has many practical advantages, as any parent using child care can attest, and a larger proportion of residents in a city's workforce will reduce the proportion of nonresidents seeking child care slots in the city or other child care support from local employers.

A combined projection of the child care needs of new residents with those of new employees shows that Fremont will face the need for child care assistance for at least 870 more children each year, if housing and employment development proceed as projected.<sup>10</sup> Almost two-thirds of these children will be seeking school-age care of some kind. If the pace

of development is slower, the demand for additional child care will be proportionally smaller.

Accommodating anything like 870 additional children per year in an already seriously underdeveloped child care system will be very difficult. To provide licensed care for these numbers would be equivalent to starting 58 new family day care homes (with six slots each) and seven new centers (with 75 slots each) every year, figures far in excess of recent start-up trends. Fremont needs a multifaceted approach to child care that addresses the distinct needs of all age groups, and of both employees and residents.

The Task Force is recommending a wide range of strategies to address the diverse child care needs of employees and residents in the contexts of their workplaces, schools, and neighborhoods. These strategies would be necessary even if the City's population of children were holding constant, but the major expansion that will be occurring adds considerable urgency to the job before us.

## NOTES TO CHAPTER II

<sup>1</sup>Association of Bay Area Governments, Projections '87 (1987).

<sup>2</sup>U.S. Department of Labor, Bureau of Labor Statistics, December, 1984 report.

<sup>3</sup>ABAG, op. cit. The greatest increase in female employment will come primarily among older women, while younger women are expected to maintain or slightly increase the high labor force participation they achieved in the 1980's.

<sup>4</sup>UrbanPlan, "AB 2926 Development Fee Implementation Study," prepared for Fremont Unified School District, December, 1986.

<sup>5</sup>Since we do not know what percentage of FUSD's kindergarteners were born in Fremont or at what age they moved to the city, and since birth rate projections are not available on a city-by-city basis, we cannot specifically project each preschool yearly cohort.

<sup>6</sup>University of California, Davis, housing and transportation survey of campus employees (1982); Bananas Child Care Information and Referral: survey of employees in 12 downtown Oakland businesses, in Report of the Oakland Community Child Care Impact Committee (1984); Emlen, Arthur, survey of three large office employers (insurance, utility, government agency) in Washington, DC: "When Parents Are At Work" Greater Washington Research Center (1982.) Each survey asked the question about the need for child care in a slightly different way, but the results were within several percentage points of each other.

<sup>7</sup>The number of children--as opposed to the number of employees seeking child care cited here--would depend on projections based on data which is not currently available, such as the number of Fremont families in which both earners will be working in Fremont, or the number of children in need of care per family.

<sup>8</sup>U.S. Census, 1980, San Francisco-Oakland SMSA Tracts, Table P-9.

<sup>9</sup>The ratio of jobs to employed residents was .50 in 1980, and ABAG estimates that it will be .76 by 1987 (Projections '87, op. cit.) We understand that there are further Fremont-specific studies underway on this issue and on the city's jobs/housing balance.

<sup>10</sup>We will assume that 40 percent of the new households will have one or more wage-earners working in the city of Fremont, higher than the 32.6 percent of resident-workers in 1980, because the number of jobs is increasing faster than the number of housing units.



## CHAPTER III

### RECOMMENDATIONS FOR IMPROVING FREMONT'S CHILD CARE SYSTEM

#### INTRODUCTION

The City of Fremont can take steps immediately to improve the child care system and lay the groundwork for more widespread and substantial improvements. In this chapter we present recommendations that involve not only the City government but also the other organizations and agencies, both public and private, that work with children and families in the community.

The substantive recommendations are designed to reach five major goals:

- I. Increase private and public support for meeting child care needs related to development and employment
- II. Attract and retain qualified caregivers
- III. Expand the supply of care available to children
- IV. Enhance the affordability of care for low-income families
- V. Improve the quality of current and future child care programs

This chapter contains a section on each of these goals and the objectives and strategies that follow from them. Figure 1, Summary of Fremont Child Care Task Force Recommendations, presents an overview of the goals, objectives, and strategies, as well as an approximate schedule for implementation. These recommended strategies are of three major types. First, several suggest reviews of current City department practices or programs and propose ways programs can be expanded or practices changed to improve aspects of Fremont's child care system. Secondly, many recommendations urge the broader involvement of other public and private community institutions in child care solutions,

Figure 1  
SUMMARY OF FREMONT CHILD CARE TASK FORCE RECOMMENDATIONS

Goals	Objectives	Strategies	Schedule
I. Increase private and public support for meeting child care needs related to development and employment	Affirm the importance of child care to the community	Incorporate language about the importance of child care in Fremont's General Plan	Phase I
	Develop an ordinance requiring review of all nonresidential development and appropriate mitigations	Require all nonresidential developers/employers whose projects increase employment to (1) pay a fee of \$.50 per sq. ft. (\$1.00 per sq. ft. for office development) to a Child Care Fund; (2) provide subsidized space for child care facilities; or (3) provide financial assistance to employees for child care	Phase I
	Review residential development for impacts on child care and require appropriate mitigations	Review all proposed residential development for impacts on child care	Phase I
		Encourage developers and the Planning Commission to consider child care a high priority for the use of on-site and off-site amenity fees currently collected by the City	Phase I
		Require additional mitigations (fees or provision of subsidized space) if it is determined that child care impacts of residential development are not sufficiently mitigated under current City procedures	Phase I
	Increase employer support of child care	Conduct educational activities with employers to highlight employee child care needs and options for employer support	Phase I
		Match employer contributions to employee child care costs of lower paid employees	Phase I
	Develop new worksite related child care facilities	Explore feasibility of construction of centers at or near new BART stations	Phase II
		Explore Mello-Roos financing plans to construct facilities for employee child care in non-residential areas	Phase II

Goals	Objectives	Strategies	Schedule
II. Attract and retain more qualified caregivers in Fremont	Offer more recognition of child care workers Improve wages for caregivers Offer substitutes	Award merit grants to individual caregivers for recognition of outstanding achievement	Phase I
		Develop a matching fund to augment salary increases for caregivers	Phase I
		Review and consider rescinding the City's 1,000 hour limit for child care workers in the Tiny Tots program	Phase I
		Conduct a study of salary compensation and turnover among caregivers	Phase I
		Develop a substitute pool for FDCHs and centers	Phase I
		Advocate for expansion of state programs supporting child care	Phase I

Goals	Objectives	Strategies	Schedule
III. Expand the supply of care available to children in Fremont <ul style="list-style-type: none"> <li>Give priority in all supply expansion policies to:               <ul style="list-style-type: none"> <li>• school age and infant care</li> <li>• high quality care</li> <li>• care for low-income families</li> <li>• care for disabled children</li> </ul> </li> </ul>	For school age children offer more child care programs located at or near elementary schools  Offer more after school recreation opportunities for older children	Encourage Fremont Unified School District to provide before and after care at school sites	Phase I
		The City and FUSD should jointly inventory and assign to child care vacant public space at or near school sites	Phase I
		Purchase/rehabilitate portables to be made available to private providers; encourage FUSD to participate in this effort	Phase I
		Encourage FUSD to facilitate increased use of District facilities by private providers	Phase I
		Expand activities sponsored by the City's Community Services Department for school age children	Phase I
		Encourage community institutions to offer more afterschool activities for older children	Phase I
		Facilitate exploration of ways to improve transportation options for older children	Phase II
		Streamline zoning regulations and permit procedures	Phase I
		Establish a Capital and Technical Assistance Program to include:	
		<ul style="list-style-type: none"> <li>• technical assistance for startup</li> </ul>	Phase I
For day care centers  Remove barriers to startup and expansion  Encourage contributions of space and financing  Offer financing and expert assistance for startup/expansion		<ul style="list-style-type: none"> <li>• arranging contribution of facilities from public and private sources</li> </ul>	Phase I
		<ul style="list-style-type: none"> <li>• soliciting other in-kind contributions and financial support from employers</li> </ul>	Phase I
		<ul style="list-style-type: none"> <li>• low-interest loans for startup/expansion to centers serving high priority populations</li> </ul>	Phase II



Goals	Objectives	Strategies	Schedule
III. Expand the supply of care available to children in Fremont (continued)	<b>For family day care homes</b> Remove barriers to expansion Improve parent information about FDCHs Offer financing for expansion Increase family day care slots for school age and infant children	Revise zoning ordinance to eliminate fees and neighbor notification requirements, for a one year trial period	Phase I
		Use schools to publicize neighborhood FDCHs	Phase I
		Consider establishment of a low-interest loan program for large FDCHs	Phase II
		Consider subsidizing family day care homes to offer more infant and school age slots	Phase II
	<b>For in-home caregivers</b> Offer more information about in-home caregiver options	Encourage 40s to provide information about "shares," babysitters, and other in-home caregiver options	Phase I
		Encourage and possibly subsidize "satellite" family day care homes to care for mildly ill children	Phase II
	<b>For special child care needs</b> Offer more options for mildly ill children Offer more options for part-time care, drop-in care, and evening and night care Offer more child care options for disabled children	Educate employers about need for expanded leave to care for sick children	Phase II
		Explore possibility of assisting a new center for mildly ill children	Phase II
		Develop training for providers to care for disabled children	Phase II

Goals	Objectives	Strategies	Schedule
III. Expand the supply of care available to children in Fremont (continued)		Encourage providers to work with special education and regional center staff to design individual children's service programs	Phase II
		Promote part-time care, evening and night care, and drop-in care by independent providers	Phase II

Goals	Objectives	Strategies	Schedule
IV. Enhance the affordability of care for low-income families in Fremont	Offer more fee subsidies Promote use of sliding scale fees Improve local coordination in applying for state child care funds	Develop/expand vendor-voucher programs that: <ul style="list-style-type: none"> <li>● allow parents to choose provider;</li> <li>● fund child care slots in centers</li> </ul>	Phase I
		Provide technical assistance with incentive grants to encourage providers to use sliding scale fees	Phase II
		Coordinate between appropriate city departments, FUSD, and local child care agencies to ensure all state and federal funding opportunities are pursued	Phase I

Goals	Objectives	Strategies	Schedule
V. Improve the quality of current and future child care programs in Fremont	<p>Use quality standards to guide public contributions and encourage adherence to standards by all programs</p> <p>Encourage and facilitate additional training for providers and program enrichment innovations</p> <p>Improve parent information and education</p>	Develop quality criteria for any program receiving city support and for any project proposed under development review process	Phase I
		Encourage voluntary accreditation and use of quality standards throughout community	Phase I
		Encourage community institutions that train providers to expand their programs	Phase I
		Consider awarding grants to centers or FDCHs for release time/staff training	Phase II
		Consider developing program enrichment innovations for centers/FDCHs	Phase II
		Undertake a public awareness and education campaign to highlight quality of care issues and how to select good care	Phase I
		Elicit additional parent feedback about child care referral and education services	Phase I



involvement that the Task Force encourages the City to facilitate. Finally, we are proposing some new programs, to be sponsored by the City, that address many of the high priority child care needs documented in this study.

The Task Force also recommends that several structural additions to the City government be undertaken, including a new staff position for child care policies and programs in the Human Services Department, a Commission on Child Care, and a Fund from which grants and loans for child care expansion, improvement, and affordability can be made. The City should also seek to establish an interagency forum that brings together all the entities of local government concerned with child care. These organizational proposals are presented in detail in Chapter IV.

The recommendations presented in this chapter constitute a general plan for the City of Fremont to pursue in promoting and improving the City's child care system. Proposed strategies are assigned either to Phase I or Phase II of an implementation period (see Figure 1). Phase I, which includes all the recommendations considered the highest priorities, covers approximately the first 18 months of an implementation period. Phase II refers to the following 18 months. However, this plan only represents an intermediate step in what should be an ongoing planning process. Some of the strategies proposed here can be implemented immediately with little startup expense or time. Others need further study to determine their scope and impact, and how they can be most effectively implemented. Finally, depending on available revenues from both private and public sources, the proposed Child Care Commission and Administrator will need to continue refining priorities.

### **Resources for Child Care**

The Task Force recommends that the City make several budget allocations for the coming year to begin enacting these proposals. Sources potentially at the City's disposal include capital improvement funds, the Community Development Block Grant program, general fund revenues, and the fees from a proposed nonresidential development review and mitigation process. In Table 7 we present a model budget for the allocation of \$500,000 in funds from existing City sources. It shows expenditures primarily in the areas of facilities for school age

Table 7

Model First Year Child Care Expenditures:  
From City General Fund, Capital Improvements,  
Community Development Block Grant Program

<u>Portable structures (for school-age programs).</u>	\$ 96,000
Six structures. Total cost of purchase, hook-up, design, landscaping, and all other activities figured at \$80,000 per structure. Amortized over seven years at 10% interest = \$15,937 per unit per year. The exact cost to the City will depend on current financing opportunities, prices, etc.	
<u>Vouchers for child care fees for low income families.</u> Preschool and infant: 55 @ \$3,000	\$165,000
School-age programs: 90 @ 700	\$ 63,000
<u>City Staff:</u> Position of child care administrator, plus full-time clerical support and office overhead.	\$78,000
<u>Program Development and Implementation.</u>	\$98,000
Direct costs to establish and operate programs to stimulate employer-supported child care, development and implementation of quality standards, public education, substitute teacher pool.	
TOTAL FROM EXISTING CITY SOURCES	\$500,000

programs and subsidies for the child care fees of low-income families. In addition, this model budget allocates funds for direct costs to develop and implement several other programs recommended by the Task Force for Phase I. The proposed funding allocation is based on the Task Force's highest priorities. A budget proposal such as this does not substitute for the full deliberations of the City's budget process. We urge that the City Council direct staff to prepare detailed proposals in these areas and that the new Child Care Commission and Administrator's position be established in time to make recommendations as part of the budget process.

We also estimate that a proposed development mitigation would yield approximately \$500,000 worth of fees, facilities, or other assistance to child care. Fees, once they begin to be generated, will accrue to the Child Care Fund, and will also be available for programs to support employer-related child care and to expand or improve other aspects of the child care system impacted by new employment. A complete description of the proposed development mitigation is contained in this chapter and in Appendix C.

**GOAL I: INCREASE PRIVATE AND PUBLIC SUPPORT FOR MEETING CHILD CARE NEEDS RELATED TO DEVELOPMENT AND EMPLOYMENT**

As Fremont grows, the already insufficient supply of child care will be further pressed by the influx of additional employees and residents who need programs for their children. Child care is not a luxury but an economic necessity for most of the working people of Fremont. Without the incomes of both earners, or those of single parents, most families with children could not afford to live in Fremont. Similarly, these parents, particularly mothers of young children who make up a large and increasing proportion of the local labor force, are essential to the operation of most of the businesses in Fremont.

Just as economic growth means more traffic and there is a public interest in mitigating the adverse impacts of that traffic, so too is there a public interest in lessening the adverse impacts of additional demand for child care in the community. At the same time it is important to realize that the provision of child care can be a distinct asset for an employer or a developer seeking business tenants. Many employers find that child care problems adversely affect work performance, and that support for employees' child care needs has led to declines in absenteeism or tardiness and increases in productivity that have more than paid for the costs of the care.<sup>1</sup> More than half a dozen new commercial and industrial developments in the Bay Area, including one in Fremont, have proposed child care facilities as a way to meet these needs.<sup>2</sup> While most employers do not want to become involved in the direct operation of child care programs, there are a number of ways by which they can contribute to child care without incurring substantial day-to-day obligations.

Fremont needs policies that will increase employer involvement in child care and will provide new facilities and programs to meet the additional need generated by new employment and residential growth. These policies should result in programs that work in the interests of employers and developers as well as in the broader public interest of well-planned, high quality child care.



The Task Force has developed five objectives for increasing public and private support for child care:

- affirm the importance of child care to the community;
- develop an ordinance requiring review of all nonresidential development and appropriate mitigations;
- review residential development for impacts on child care and require appropriate mitigations;
- increase employer support of child care;
- develop new worksite-related child care facilities.

#### **Additions to Policies in the Fremont General Plan**

**Recommended Strategy:** Incorporate language about the importance of child care in Fremont's General Plan

The City Council should forward to the Planning Commission and Recreation Commission for review at the earliest possible date additions to the City's General Plan that explicitly affirm the importance of child care to the community, and the need for consideration of it in the planning process. We suggest that in the "City Wide Policies" section of the Plan, child care be addressed in these subsections:

- o Institutions, Including Public Facilities and Other Primary Activities
- o Recreation, Open Space and Historical Resources

We also propose that a recognition of the diverse and growing need for child care be added to the section entitled "Conditions and Trends," which serves as the basis for long-range planning. (Proposed language for these additions to the General Plan are contained in Appendix B.) These statements will thereby become the base upon which further City actions can be taken.

## Child Care Impacts of New Development: A Process for Review and Mitigation

**Recommended Strategy:** Review new nonresidential projects and require developers/employers whose projects increase employment to 1) pay a fee of \$.50 per square foot (\$1.00 per square foot for office development) to a Child Care Fund; 2) provide subsidized space for child care facilities; or 3) provide some other form of child care assistance to employees.

### Mechanism for Development Review and Mitigation

The Fremont Child Care Task Force recommends to the Fremont City Council that every proposed nonresidential development project (including improvements of existing buildings) be reviewed at the time of initial presentation of plans, to determine if there will be any increased demand for child care as a result of the project. If there is any increase in employment and therefore an expected demand for child care, the developer will have three options:

- (1) payment of a fee to a Fremont Child Care Fund;
- (2) provision of suitable, licensable space on-site or nearby, to be used as a child care facility;
- (3) commitment and evidence that the developer or tenant(s) will provide financial assistance for employees' child care.

Support for child care is increasingly recognized not only as a socially desirable local policy, but as an economically sensible business practice. Developers can use it to attract corporate tenants, and employers can attract, retain, and improve the productivity of valued employees. Fremont will be home to an increasing number of firms for which support of child care makes economic sense, and an effective child care system will help the City's new projects remain economically competitive in coming years. This development review and mitigation strategy is designed to give developers the flexibility to design child care options that are congruent with their marketing goals and tenants' preferences, while also being consistent with City policy objectives.

Developers and the City will benefit from a consistent policy which makes it possible to determine mitigation costs from the onset of project planning, and which assures that all projects are treated equally.

#### The Connection Between New Development and Child Care Needs

In enacting a program of this kind Fremont will be joining a growing number of California localities including San Francisco, Concord, and Irvine, that include child care as a key part of the planning and development process. The development review process proposed for Fremont is, however, not an isolated policy. It is part of a comprehensive set of strategies for improving child care quality, increasing the supply, and making it more affordable.

That there is a shortage of qualified, licensed child care in Fremont has not been in dispute for some time. Data presented in Chapter I of this report illustrate that there are insufficient numbers of subsidized slots for low and moderate income families, that there are particularly serious shortages for infants and school-age children, and that even the best programs are hard pressed to maintain qualified staff given the low rate of pay in the field. Very few employers in Fremont are currently providing assistance with employees' child care needs, though many are receptive to the general concept. It is in this context that the projected doubling of employment in Fremont over the next twenty years, an addition of an average of 2,400 new workers annually, should be viewed.<sup>3</sup> Many of these additional workers will require child care at some point in their careers, and will seek it in Fremont or surrounding communities. Table 8, Projected Employment Growth from New Development in Fremont, shows the expected annual increase in employment through 1991 for different categories of development.

This review and mitigation process for nonresidential development is directed at the impacts created by new employment. The size of the mitigation should reflect the impact on the child care system of the additional workers. It is not designed to solve the existing shortages or quality problems, nor is it designed to address the needs generated by new housing in Fremont. Those areas must be addressed by other strategies, many of which are recommended in this report.

Table 8

Projected Employment Growth From New Development in Fremont

ANNUALLY, 1987 - 1991

<u>Sector</u>	<u>No. of New Jobs</u>	<u>% of Total</u>
Office	482	15.9%
Retail	608	20.2
Telecom/Utilities	159	5.3
Lt Industry	393	13.0
Hvy Industry	976	32.4
Res & Dev	375	12.4
Warehouse	22	0.7
<hr/>		
TOTAL	3015	100.0

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Source: Association of Bay Area Governments projections, as analyzed by Urbanplan, Inc. for the Fremont Unified School District: "AB 2926 Development Fee Implementation Study," December, 1986.



At the same time, however, this impact caused by new development cannot be addressed in isolation. The new employees increase the demand throughout the local system of care for all ages, in all parts of the community. Therefore, it is important that the mitigation measures include the capacity to support citywide programs as well as facilities or benefits on the sites of the new developments.

The most commonly known form of child care mitigation may be the construction and support of a center on or near the site. Such centers are critically important, but they do not by themselves address the range of child care needs of employees. Employees include parents of school age children who need care near their home or school; lower paid employees whose principal need is for help paying for existing care; and parents using family day care homes, all of whom are in need of support but would need something other than a work-site center. Each development will bring new employees in these varied situations into Fremont, and the mitigation process should be flexible enough to meet these varied circumstances by permitting an in-lieu fee or another form of financial assistance.

#### The Size and Purposes of the Mitigation

Child care is one of a family's major expenses, and in this society the majority of the financial burden for child care remains with the family. Mitigation of the child care impact does not mean that employees in new development would receive cost-free child care. It does mean that there should be a substantial contribution to lower the cost or increase the supply of care for the number of families equivalent to the number of employees needing child care generated by the new project.

A substantial contribution is one that would make a new program economically feasible where it would otherwise not be, and which contributes to keeping fees within reach for families of employees. The proposed mitigation (\$.50 per square foot, except for office development, for which a \$1.00 per square foot mitigation is proposed) is equivalent to roughly the shelter costs (rent and utilities) for three years of a center sufficient to serve the number of new employees' children seeking care.<sup>4</sup> Shelter costs can be as much as 20 to 25 percent

of a program's budget, so support of this magnitude will make a substantial impact on a program's budget and fees. If the same amount of money raised by the one-time mitigation assessment were applied solely to individual employees' child care costs, this would amount to roughly five percent of costs for one child from birth through age twelve for each new employee needing child care. If applied all in one year it would cover slightly under two-fifths of one preschool child's full time care.<sup>5</sup>

**In other words, whether viewed as support for individual families or for a center, the mitigation would be a significant subsidy, but neither a permanent nor a total reduction of costs.**

A mitigation of this magnitude, while representing only a fraction of total costs, can provide a significant incentive for established programs to expand or open a new facility, pay their staff enough to retain qualified professionals, or otherwise upgrade their offerings to address the needs of additional families.

This does not mean that these are the only possible uses for the resources raised by development mitigation. The process is designed to allow for a variety of responses, either directly on the worksite or administered over a broader area through the City's Child Care Fund. Family day care and school age programs are as important in this respect as a center such as the one used in the above example. The City's Child Care Fund could stimulate the opening of new family day care homes and provide vouchers to subsidize the care of low or moderate income employees whose child care costs put them at or below the poverty line. The workings of the Child Care Fund, which will have sources other than just the development mitigation fees, are described in Chapter IV of this report.

#### Impact of the Fee on Development Costs

The mitigation level has been set at a rate which should not significantly disadvantage Fremont developers in their efforts to be cost competitive with developers in other Bay Area cities. If the one-time fee is amortized over a 30-year lease, for example, it raises the monthly cost per square foot by less than one half cent. Data show that Fremont's total fees on nonresidential development are relatively low

compared to most East Bay suburbs, and that the child care mitigation, were it paid in the form of a fee, would not significantly alter this relative situation (Table 9). Adding the child care fee for office development to late 1986 totals, Fremont's total fees would then be 15 percent higher than Union City, 13 percent lower than Pleasanton, and less than half those of Walnut Creek or Concord. Furthermore, as more localities consider or enact such fees (Concord, San Francisco, Berkeley, Contra Costa County, Livermore, and Palo Alto are among those that are enacting or seriously considering mitigation requirements), any relative cost of development in Fremont due to this requirement will diminish further. We have encountered no specific instance, in a year of inquiries, of a development changing its location or size based on a child care mitigation, whether by ordinance or on a case-by-case basis.

#### Revenues Raised by the Development Mitigation

The exact yield of the child care mitigation will depend on the amount and type of new construction, and it is possible to roughly estimate what that might be in coming years in Fremont. We expect that approximately \$500,000 worth of fees, space, or other types of assistance will be available in the first 12 months of the program.<sup>6</sup>

#### The Child Care Fund

Revenue generated from the child care mitigation fee should accrue to a fund for improvements in child care for both employees and residents of Fremont. The expenditure of monies generated by the fee should address needs created by new development. Activities supported by the fund might include, but would not be limited to, the following:

- a revolving loan fund for capital improvements, start-up or expansion of facilities and programs;
- grants for construction, equipment, or facilities;
- fee subsidies or vouchers for low and moderate income families;
- designated slots in local programs for employee's children;
- programs that would reduce turnover among the child care workforce, increase the number of qualified providers,



Table 9

Total Development Fees in Fremont and Selected Other Cities160,000 Sq. Ft. Office Building

Concord	\$729,827
Walnut Creek	643,143
Dublin	341,272
Pleasanton	334,529
Union City	255,089
Milpitas	178,973
FREMONT	132,106
Livermore	131,011
Newark	125,822

100 Unit Single Family Housing Tract

Walnut Creek	\$953,735
Pleasanton	917,540
Dublin	915,050
Livermore	900,535
Milpitas	822,856
Union City	763,017
Concord	665,030
FREMONT	623,233
Newark	605,097

200 Unit Apartment Complex

Milpitas	\$1,378,796
Livermore	1,104,739
Pleasanton	1,099,621
FREMONT	855,480
Newark	827,388
Union City	763,923
Concord	699,028
Dublin	621,313
Walnut Creek	346,516

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SOURCE: Survey by City of Pleasanton, Finance Department, 1986. Fees include all development fees collected by local city governments and utility districts in given locality. Recently enacted school district fees permissible under state law are not included in this compilation.



and improve the quality of care available to employees and residents, including:

- program quality enhancement for family day care providers;
- a substitute teacher pool for centers and day care homes;
- training programs for providers;
- enhanced parent education and counseling; and
- child care employee salary and/or benefits augmentation pool.

One goal of the fund will be to stimulate further employer support for child care assistance. Toward that end, the fund may be used for matching grants whereby employer contributions are matched by funds contributed by the Child Care Fund. However, because priorities for child care funding will change from year to year, the Fund should be flexible in the kinds of activities it supports each year. More information on the proposed Child Care Fund is contained in Chapter IV.

### **Review and Mitigations for Residential Development**

**Recommended Strategy:** Review all proposed residential development for impacts on child care.

**Recommended Strategy:** Encourage developers and the Planning Commission to consider child care a high priority for the use of on-site and off-site amenity fees.

**Recommended Strategy:** Require additional mitigations if it is determined that child care impacts of residential development are not sufficiently mitigated under current City procedures.

All new residential construction projects should be evaluated for their impact on the demand for child care, through their Environmental Impact Reports, or if EIR's are not required, through a review by the Child Care Administrator and the Community Development Department. As

with efforts to project future school enrollments, the number and size of the proposed housing units are the most influential factors. The existing supply of programs in the neighborhood should also be considered in these reviews.

The Task Force has been encouraged by reports that several residential developers in Fremont are building or proposing to build child care centers as part of their projects. The Planning Commission and Community Development Department should make this type of commitment a high priority for new projects, and the developers should be counseled by the City's proposed new child care staff on the type of facility and program that would most suit the needs of the surrounding community.

Current City policy lists child care facilities as one of the permissible uses of funds raised from onsite amenity fees levied on planned residential districts. However, we have found little or no evidence that amenity fees have actually been spent for this purpose. Child care facilities, both for school age programs and for preschool or infant programs, should become high priorities in future allocations of the revenue from planned district amenity fees, both on-site and off-site. The City should develop projections of the amount of revenue expected to be available from the fees at their present level.

The Task Force is not recommending a new fee on residential development at this time. However, if the reallocation of amenity fees and the proposals by developers to develop facilities do not generate an adequate response within one year, the City should consider enacting a fee on residential construction for child care facilities. All of the recommendations described above, then, should be pursued during Phase I.

If a fee is adopted, the size should be determined based on the need for new facilities serving residents, the availability of other revenue sources, and the possible impact on housing prices. For comparative purposes it is useful to note that the fee recently enacted by the Fremont Unified School District to support new construction or renovations, as allowed by AB 2926, is expected to raise between \$2 million and \$3 million annually, mostly from residential property. The rates are \$1.50 per square foot of habitable residential space and .25 per square foot for commercial/industrial projects. The average new house in Fremont has 1600 square feet, the average new apartment 900.

Thus, for example, a child care fee on new residences equal to one quarter of the School District fee would yield roughly \$450,000, and would cost \$600 per house and \$338 per apartment.

### **Employer Support for Child Care**

**Recommended Strategy:** Conduct educational activities with employees to highlight employee child care needs and options for employer support.

**Recommended Strategy:** Match employer contributions to child care costs of employees.

The City can stimulate the diffusion of employer-supported child care strategies throughout the city, via workshops for employees, management personnel and labor organizations, printed materials, a referral service for consultants on aspects ranging from corporate tax planning to social surveys to architecture, and other means. Some of the options for employers include enhanced information and referral; expanded and flexible leave policies; salary reduction plans (which reduce employees' and employers' federal tax liability proportional to the amounts earmarked for child care); benefit plans that pay some of the costs of child care, on-site or near-site centers, slots reserved in local programs, and payment for care for mildly ill children. Small businesses are less likely to be able to create these options singlehandedly, but the City can play a valuable role in starting consortia of employers to lower administrative costs.

The City can offer more tangible encouragement to employers by offering a match of some of the costs that employers incur in starting up child care programs for their employees. Programs that address the needs of lower paid employees could receive higher priority for these matching grants. Finally, the City should develop a child care policy for its own employees that can serve as a model for the private sector and other government employers.

These recommendations for increasing employer support ideally should be implemented during Phase I.



## **Worksite-Related Child Care Facilities**

**Recommended Strategy:** Explore feasibility of constructing centers at or near new BART stations.

**Recommended Strategy:** Explore Mello-Roos financing plans to construct facilities in nonresidential areas.

In addition to the development review and mitigation process outlined above, there are several opportunities for expansion of child care facilities that should be explored. First, the possibility of locating child care centers at the sites of the two proposed BART stations in Irvington and Warm Springs should be explored. Our preliminary discussion with BART staff suggests that this is worth further analysis and that the development of a center at the San Jose Caltrain/light rail depot may yield valuable lessons. The advantages to commuters are self-evident, and the stations are likely to be readily accessible to many other Fremonters as well.

Another possibility arises from the flexible financing for capital improvements allowed by the state's Mello-Roos Community Facilities Act. Not only child care, but a set of compatible employment-related services, such as a medical clinic or a fitness program could be housed in a center built in the industrial area west of I-880, for example. The facility would serve a number of companies and would be financed at least in part from an assessment voted by local property owners.

These are both longer range strategies that can be pursued more vigorously during Phase II but preliminary feasibility analysis should begin soon.



## **GOAL II: ATTRACT AND RETAIN MORE QUALIFIED CAREGIVERS**

Without well-trained and well-qualified providers there can be no high quality child care, and Fremont must address the problems of attracting and retaining good caregivers directly. The evidence presented in Chapter I, which reflects widespread input to the Task Force, shows that many people choose not to enter or stay in the child care profession because of low wages, poor employee benefits, job stress, lack of recognition, few opportunities for advancement, and related problems. Although the factors that produce these problems have their roots in larger social values and economic trends, there are some positive steps that the City and other local entities can and should take to reduce staff turnover and improve the quality of care.

The Task Force has developed the following objectives for attracting and retaining child care workers:

- offer more recognition of child care workers;
- improve wages for caregivers;
- offer substitutes.

**Recommended Strategy: Reward caregivers for outstanding achievement.**

Caregivers who do an excellent job should be recognized and rewarded for their efforts. The City could award merit grants to individual teachers, directors, or family day care providers for recognition of outstanding achievement, and publicize the record of the recipients and of others nominated for these grants. Similar to the voluntary accreditation process discussed in the section on improving the quality of care, a merit grants program would focus attention of the public and the profession on what it takes to run a good program.

**Recommended Strategy: Develop a demonstration matching program to augment salary increases for caregivers.**

**Recommended Strategy: Conduct a study of salary compensation and turnover among caregivers.**

There is no escaping the conclusion that low salaries keep many child care teachers and family day care home (FDCH) assistants (a large FDCH is required to employ an assistant) from staying in their jobs, even if they otherwise like their work. Many are already qualified for other jobs or see other, better-compensated professions within reach, and view child care as a transitional period. As a first step toward addressing the wage problem, the Task Force recommends that the City establish a demonstration matching program to augment salary increases for center employees or FDCH assistants. This must be set up in a way that ensures that any public support is directly related to a real increase in compensation and does not allow the operator to substitute for other expenses. A program in Toronto, which is being studied in several US cities, offers these salary augmentation grants to bring salaries up to the level of those in government-subsidized centers, at least a 15 percent raise in most cases. Massachusetts also has a salary augmentation program.

The Task Force recommends that this matching program be implemented on a demonstration basis after careful study of the Toronto and Massachusetts models. Such a small-scale program can then be evaluated to determine if career decisions of child care workers have been affected, and if staff turnover at centers or homes participating in the demonstration program has been reduced.

These initial matching salary augmentation grants also should be complemented by a wider study of compensation and the reasons for high turnover rates in Fremont to determine whether more extensive support of this kind would produce desired retention of staff, and, if so, which salary levels would lead to a more stable work force. The study should include salaried employees of large family day care homes.

**Recommended Strategy: Develop a substitute pool for FDCHs and centers.**

Another strategy for improving the attractiveness of child care as a profession is to make training opportunities more accessible. We propose that the City, in conjunction with providers' organizations and the local resource and referral agency, organize a stable pool of substitute teachers and FDCH staff, so that regular providers can take time

for training without jeopardizing their jobs or the continuity of their programs. A substitute pool also is a high priority need for Fremont child care centers and homes to ensure that care can be provided when employees are absent for any reason.

Two providers in Fremont already have developed a detailed proposal for a substitute program. Their proposal calls for a substitute service that can be self-sustaining through membership fees paid by participating centers and FDCHs. However, such a program requires minimal initial startup funding of \$10-15,000.

**Recommended Strategy:** Review and consider rescinding the City's 1,000-hour limit for child care workers in the Tiny Tots program.

The City of Fremont, as an employer of child care workers in its Tiny Tots program, should make a policy change that would lead to lower turnover and more of a "career" orientation among its staff. The limit of 1,000 hours worked per year effectively prevents staff from working enough to qualify for benefits and thus make working for Tiny Tots their main source of employment and income. The City should review this policy and consider rescinding the limit on hours worked, even if there is some cost involved in the form of employee benefits and in increased parent fees. The City should also evaluate whether teachers in this program have enough paid time to prepare for their classes, a condition we would take for granted in most education or child development jobs. In short, a smaller number of staff, each working longer hours and treated more like professionals, will be more likely to do a better job and stay with the program longer.

**Recommended Strategy:** Advocate for expansion of state programs supporting child care.

Finally, in child care as in so many other educational and human services, the state government holds the key to the bulk of public spending. The Task Force urges the City of Fremont to become a leader in advocacy for the expansion of state-supported child care and development programs, including latch-key programs, subsidized infant and pre-

school centers and alternative payment programs, resource and referral, and other activities. Especially important is the annual battle in Sacramento to ensure a decent cost-of-living adjustment for the state-subsidized programs, without which the staff in those programs fall further behind in terms of real income.

The Task Force believes these recommendations to improve the status, working conditions, and wages of child care workers are of the highest priority and should be implemented during Phase I.



### GOAL III. EXPAND THE SUPPLY OF CARE AVAILABLE TO CHILDREN IN FREMONT

Most basic to any local child care plan is increasing the supply of care serving demonstrated needs in the community. In Fremont, as this report has described, many families now living in the city, as well as new residents expected as a result of development and growth over the next 20 years, need more child care options. In this section, the Task Force presents its recommendations for facilitating the startup and expansion of certain types of care, namely school age child care, which generally involves a different set of programs and providers than care for younger children; centers and family day care homes serving high priority populations; in-home care; and special needs care (care for mildly ill children, care for disabled children, and flexible hours of care).

Based on research into the community's greatest needs, several priorities for the types of programs that should be promoted by City policies have been identified:

- **school age and infant care** -- these clearly are the most underserved age groups in the city;
- **high quality care** -- those programs receiving assistance through City programs should meet minimum quality standards set by the City;
- **care for low-income families** -- programs that serve low-income families, another group with major unmet needs in Fremont, should receive priority for City assistance;
- **care for disabled children** -- since this group is also greatly underserved in Fremont, any programs mainstreaming or specializing in care for disabled children should also receive priority.

With these priorities, strategies for increasing the supply of care can be developed within the community's goals for affordability and quality.

#### **School Age Child Care**

A consensus emerged from interviews with a wide range of people in Fremont that school age children are vastly underserved by existing

child care programs. Many people also insisted that specialized programs are needed for school age children, separate from programs serving younger children. In addition, younger school age children between the ages of six and nine have different programmatic needs than children from ages 10 to 14.

Unlike other types of child care, school age care often involves public sector institutions such as school districts and City departments more directly in the provision of care. Four general models can be delineated for the operation of a school age child care program:

- school-run programs at school sites;
- programs operated by a private agency or PTA at school sites;
- programs operated by City parks and recreation departments (in Fremont, the Community Services Department) away from school sites; and
- home- or center-based programs away from school sites.

In this section, the Task Force proposes objectives and strategies incorporating the first three program models. However, as stated previously, the City also should seek to expand the supply of school age home or center-based programs within the context of general City policies.

The Task Force recommends that the City adopt two objectives for school age child care:

- offer more child care programs located at or near elementary schools; and
- offer more after-school recreation opportunities for older children.

**Recommended Strategy:** Encourage the Fremont Unified School District to provide before and after care at school sites.

All four models for providing school age care can be incorporated into an overall strategy for before and after school care. However, the Task Force believes that the most preferred strategy is a program sponsored by the school district.

There are two important advantages to district-operated programs. First, many parents trust the school district to develop and operate a high quality program. Secondly, the district clearly would give priority to its own program in the competition for scarce space at the schools. In addition, other local school districts as well as school districts around the country have successfully operated quality school age child care programs. Many Fremont residents would like the same convenience and assurance of quality from a district-operated program that residents in nearby Newark and Milpitas enjoy.

However, school district officials contacted by representatives of the Task Force have maintained that the district will not become a direct provider of school age care. They cite the expense of offering a program and the district's difficult financial situation. They do not believe a program could be simultaneously self-supporting and affordable if sponsored by FUSD. For example, as employees of the district, program staff would have to be paid much higher salaries than the market rate for child care workers.

Despite the reluctance expressed by school district officials, the Task Force believes the City should continue to encourage more direct school district involvement in providing care. It has been more than two-and-a-half years since FUSD thoroughly studied this option. Establishment of a program even on a pilot basis at one school may establish demand and willingness to pay for care among Fremont parents, and help ascertain whether or not a district-sponsored program is truly feasible.

**Recommended Strategy:** The City and FUSD jointly should inventory and assign to child care vacant public buildings at or near school sites.

School district officials and others have noted that there are vacant public facilities that might be appropriate for school age care. However, there is no central clearinghouse where information about city or county buildings can be obtained and their suitability for child care ascertained. If appropriate, these buildings might be made available to private school age care providers including the YMCA or any other interested program. Such an inventory may also uncover public space



suitable for care of other age groups. The major disadvantage of this strategy is that many sites may be too far away from schools to make them practical for before and after school care. This inventory would also include a close review of school sites.

The Task Force strongly recommends that the City encourage FUSD to participate in this exercise in partnership with the City. The shortage of school age care is a community problem, one not solely the City's or the school district's responsibility to solve. In order to make progress, the City and school district need to overcome their historical mutual distrust to work together on this problem. The joint inventory is just one aspect of interagency cooperation and communication the Task Force is proposing throughout this report.

This joint inventory should be undertaken during Phase I of the implementation period.

**Recommended Strategy:** Purchase and/or rehabilitate portable classrooms to be made available to private providers, and encourage FUSD to participate in this effort.

Because the space available for child care at the schools is so limited, the Task Force recommends that the City begin purchasing portable structures that can be located at the schools. While the inventory described above probably will yield additional space appropriate for school age care, it will most likely not uncover a sufficient number of sites to alleviate the entire space problem.

The City should strongly encourage FUSD to contribute to this effort financially and/or through inkind donations of staff time to locate, purchase, and establish procedures for making portables available to private providers. The Commission and FUSD, if involved, might also consider leasing these portables to providers at a low rate, in order to defray some of the purchase costs. An evaluation process also should be established for selecting providers who would use portables.

Once again, the Task Force recommends that this be a joint venture between the City and the school district. Ideally, such cooperation eventually might lead to establishment of a joint powers agreement (JPA), a legal document designed to formalize City and school district



cooperation in facilitating school age child care. One model for a JPA is in the City of Irvine, which plans to provide portable classrooms for all school sites in the City. Donations from corporate donors were solicited to fund the purchase of portables once the City and school district established the JPA.

The Task Force recommends that the City make an initial commitment from its capital improvement budget to the purchase of several portable structures. Community Development Block Grant monies can also be used for this purpose as long as a program serves the required number of eligible low or moderate income participants. Eventually, private funders (including employer consortia) may be found to finance the purchase or rehabilitation of additional portables, as needed.

According to an accounting firm preparing a bond issue for child care facilities in Irvine, California, portables may cost anywhere from \$35,000-50,000, with an additional \$20,000 for water and sewer hook-up and annual maintenance fees of \$2,500. The Fremont Unified School District official in charge of facilities uses a round figure of \$100,000 for placing a new portable in use (including utility costs, architectural fees, and furniture). However, he explains that this is a high estimate and a more likely figure falls somewhere between \$70,000-80,000.

The actual cost to Fremont would depend on financing and on the amount supported by fees, rentals, or other sources (portables are usually financed over a seven year span). There also are several possible ownership schemes and relationships among the City, program operators, and the school district.

Finally, while portables are currently at a premium throughout the state, it is possible to purchase used portables for rehabilitation. It is important that the City learn of "bargains" when they arise at various points around the state. This is why it is crucial that FUSD, experienced in the purchase and rehabilitation of portables, at a minimum provide staff assistance in locating and purchasing portables.

The Task Force recommends that the above strategy, despite the substantial time and financial commitments involved, be pursued during Phase I of the implementation period. Again, the urgent need for school age care in Fremont, as well as the severe space shortages at the

schools, require such an approach.

**Recommended Strategy: Encourage FUSD to facilitate increased use of District facilities by private providers.**

The Task Force believes that FUSD should continue to be encouraged to make space available to private school age child care providers. The District has been making steady progress in helping YMCA school age care to expand, and the Task Force commends those principals who have agreed to let child care programs operate at their schools. However, the district should be encouraged to help private providers further by 1) establishing a centralized policy declaring child care a priority for space usage in the district; 2) waiving facility fees for nonprofit providers; and 3) committing space to programs on more than a year-to-year basis.

While the YMCA is interested in expanding to many additional school sites (and is expanding its program to a few more sites this year), the agency continues to face obstacles in finding space for its programs. With the help of the central District staff, space must be negotiated with principals at each school, a time-consuming process. The YMCA has only been able to obtain a one-year commitment for space at any given site; as a result, programs learn in June of each year whether they can continue to operate the following school year, making program planning and commitments to parents very tenuous. Finally, although facility fees have been waived to date, it is official board policy that private child care providers can be charged for rent and utilities, which would increase program expenses substantially.

Perhaps the most problematic of the policies proposed above is establishment of a central policy regarding space use. Principals traditionally and rightly enjoy a great deal of autonomy in determining how their facilities should be used (most child care programs are housed in multi-purpose rooms). In addition, special education has top priority for space in the district, a use with which the Task Force does not believe child care should compete. However, a clearly articulated statement by the School Board and top district officials about the high priority needs of school age child care may encourage positive attitudes

and actions toward child care throughout all levels of the district.

**Recommended Strategy:** Expand activities sponsored by the City's Community Services Department for school age children.

The Task Force recommends that the City direct the Community Services Department to review its programs and propose how to increase departmental offerings to school age children. The major role for the Department in this area should be to meet more of the supervision needs of older school age children, aged 10-14, and to provide supplemental activities for younger children already getting some supervision in child care programs or from their parents. The City's playground supervision programs, for example, cannot substitute for formal child care programs; however, they can be structured to provide more supervision and organized activities than currently exist.

The specifics of expanded Community Services Department offerings should be developed through discussions among Department staff, with input from the proposed Child Care Commission and the City Recreation Commission. The Task Force recommends that these bodies examine some of the following options:

- 1) Lengthen the hours for programmed activities in the City's drop-in playground program. Currently, programs operate for only two hours during the school year and six hours in the summer. Ideally, some activities should be scheduled beginning at 7 a.m., before school begins, up through 6 p.m. In any case, given the large increase in attendance at the playground programs in the past two years, staffing and planned activities should also be expanded.
- 2) Consider including a sign-in process for children at the playgrounds, thus taking more responsibility for children's safety. The insurance implications, if any, of this concept should be explored.
- 3) Consider assigning some Community Services Department recreation leaders to offer activities for older children (10-14) at school sites.



- 4) Extend the hours of the fee-based summer camp program in order to make the program more accessible to working parents.
- 5) Ensure that community center facilities planned for the future meet state licensing requirements for child care. This recommendation is relevant to all types of child care. Such planning would allow the option of using these facilities for child care programs, if that is ever deemed appropriate.
- 6) Explore the use of Tiny Tots classrooms (Tiny Tots programs end at 3 p.m. every day) for after school programs. Classrooms might be made available to private providers or the City itself could offer more regularly scheduled everyday programs for school age children (for a fee). In this way, the City can guarantee programs for children on rainy days, when they cannot participate in playground activities.

Proposals such as the ones outlined above are key to expanding the range of before and after school activities. They are especially important for older children for whom a more formal child care program may no longer be appropriate and who can travel on their own to participate in various activities. In addition, these types of recreation programs meet the needs of parents who do not want to or cannot place their children in formal child care and yet are concerned about supplementing latchkey care. Finally, given the severe shortage of school age care programs for families who want them, expanded recreation services at least provide some structure and supervision for children on their own. These recreation options should be considered and program expansion implemented as soon as possible in Phase I.

**Recommended Strategy:** Encourage community institutions to offer more after school activities for older children.

As part of their interagency work and general public education campaigns, the Child Care Administrator and Child Care Commission should



encourage a wide range of institutions to enhance or initiate programs for school age children. These institutions include churches, PTAs or parent groups, scouting organizations, Boys' and Girls' clubs, sports programs, and Jewish Community Centers.

Outreach to churches has already begun, as representatives of the Task Force will meet with the Ministerial organization in early October to discuss and promote strategies for greater church involvement in this area.

These outreach activities should begin during Phase I of the implementation period.

**Recommended Strategy: Facilitate exploration of ways to improve transportation options for older children.**

As a city with a widely dispersed population, Fremont must cope with particularly severe public transportation problems. Providers and parents point to transportation as an obstacle for older school age children who might otherwise travel on their own to activities. Transportation is a difficult issue and can be expensive to solve. The Task Force recommends that the City, through the Child Care Administrator and Commission, meet with representatives of appropriate agencies to begin exploring cost-effective ways to address transportation problems. Appropriate agencies might include FUSD, AC Transit, and private transportation companies currently contracting with the school district or child care providers. This effort should be emphasized during Phase II of the implementation period.

### **Child Care Centers**

The Task Force has identified three objectives for policies to expand the supply of center care in Fremont:

- remove barriers to startup and expansion;
- offer financing and expert assistance for startup and expansion to centers serving groups with demonstrated high priority needs;
- encourage contributions of space and financing.

In order to achieve these objectives, the Task Force has developed two overall strategies. One is to streamline City zoning regulations and permit procedures, while the other is to establish a capital and technical assistance program for centers. Criteria for the types of child care programs to receive City assistance emphasize school age and infant care, care for low-income families, quality considerations, and care for disabled children.

**Recommended Strategy: Streamline City zoning regulations and permit procedures.**

The Task Force recommends that the City direct the Planning Commission and the Community Development Department to pursue the following activities:

- publish an overview of the permit process for centers, including a schedule of all fees;
- publish a simple overview of criteria for locating centers that are licensable and in accordance with zoning policies;
- consider lower cost alternatives for traffic/environmental impact mitigations often required of centers; and
- review the affordability of City fees charged to new and expanded centers that apply for conditional use permits.

These proposed actions should help alleviate barriers to center startup identified through the research sponsored by the Task Force. Center size also should be considered as mitigation and fee policies are reviewed. Small centers in particular cannot bear the expense of substantial street improvements nor can they absorb permit fee expenses which may total over \$1,000.

The Task Force recommends that the streamlining and review of City zoning practices occur during Phase I.

**Recommended Strategy: Establish a Capital and Technical Assistance Program.**

The Task Force proposes that such a City-sponsored program including the following elements:

- technical assistance for center startup;
- arranging contributions of facilities from public and private sources;
- soliciting other inkind contributions and financial support from employers; and
- low-interest loans for startup and expansion to be given to centers meeting City priorities for type of group served and for quality standards.

Starting a center requires expertise and experience that is not required to operate centers once they have been established. Many individuals and groups well qualified to operate centers lack the full range of abilities necessary to get them started. An important element of startup assistance is expert assistance in finance, law, real estate and development, early childhood education, administration public relations, and dealing with regulatory procedures. This assistance need not be provided by the Child Care Administrator; rather, the Administrator can guide potential center operators to appropriate volunteer experts on the Child Care Commission and in the community. An important participant in the provision of expert assistance will be 4Cs, the resource and referral agency in Fremont. Although state funding to support R&R technical assistance currently is limited, 4Cs hopes to expand its center startup technical assistance services in the near future.

One outcome of the space inventory that the Task Force recommends be undertaken by the City and FUSD will be the identification of possible sites for child care centers. The Capital and Technical Assistance Program, then, can be the mechanism for matching potential center sites to interested providers. The inventory will focus on public buildings. The Capital and Technical Assistance Program should also mobilize private sources, such as developers, businesses, business and industrial organizations, service clubs, churches, and other organizations to identify and contribute spaces for child care. A direct outgrowth of educational work with employers will be publicizing in the business community the need for facility contributions. Businesses will also be



apprised of other inkind contribution possibilities, such as office equipment, and financial needs for startup. These avenues for contributing to center startup or expansion may appeal to many businesses that may wish to help their employees with child care, but for whom starting their own centers would be impractical. Arrangements can be made, for example, to reserve a certain number of spaces for the employees of companies that contribute to startup or expansion efforts. Both technical assistance and fundraising with private employers should begin during Phase I.

A loan program for startup and expansion of centers should be limited to programs meeting the high priority needs documented by the Task Force, namely those programs serving infants, school age, disabled, or low-income children. Programs should also meet quality criteria developed by the Commission and the Child Care Administrator. Priority should probably go to those programs wishing to expand and that can demonstrate a track record of providing quality care.

There are several models that can be used in designing a low-interest loan program. The City of Concord, for example has operated such a program as has the City of Davis. The Concord program, for example, offers loans at a 6 percent interest rate with a 2-5 year amortization period. Centers can receive up to a maximum of \$20,000. The Massachusetts Industrial Finance Agency also has developed a Child Care Loan Fund to promote corporate sponsorship of child care facilities, with initial startup funding of \$750,000 for the loan fund.

However, some loan programs, as in Concord, have had problems finding eligible and willing applicants. Possible obstacles include the financial obligation of the loan, given many center's limited capacity to generate more revenue and unworkable collateral requirements. In any case, existing loan programs need to be carefully analyzed to determine whether they are effective and, if not, what changes can be instituted to adapt these models effectively in Fremont. For this reason, the Task Force recommends that a loan program only be implemented during Phase II.

### **Family Day Care Homes**

The Task Force's objectives for expanding the supply of family day



care homes in Fremont are to:

- remove City regulatory barriers to expansion;
- improve parent information about FDCHs;
- offer financing for expansion; and
- increase family day care slots for infant and school age children.

However, while the Task Force is proposing several strategies in these areas, an increased supply of FDCHs also depends on the training and support that is available to individual providers. Preventing turnover among providers is essential to maintaining an adequate supply of FDCHs. Recruitment, training, and support for family day care providers is discussed under Goals II and V.

**Recommended Strategy:** Revise the City's zoning ordinance to eliminate fees and neighborhood notification requirements for a one-year trial period.

This ordinance only applies to homes seeking to expand services from six to twelve children. As described in detail in Chapter I, this ordinance as well as the \$200 permit fee is particularly onerous for family day care providers.

Because eliminating neighborhood notification requirements can be controversial, the Task Force is recommending a one-year trial period for this action. By the end of the year, the Community Development Department can ascertain whether providers are correct in claiming the notification process is a red flag inviting neighborhood protests of a relatively minor change in use, or whether legitimate neighborhood complaints are being denied a hearing. The City should revise this ordinance during Phase I.

**Recommended Strategy:** Use schools to publicize neighborhood family day care homes.

Publicity problems make it difficult for both small and large family day care homes to keep their programs filled. Some providers

believe schools are a good place to advertise their services in the neighborhood. The Child Care Administrator, the South County Family Day Care Association (a provider group), 4Cs, and Fremont Unified School District might cooperate in institutionalizing this practice. In addition, it is important to warn schools against advertising unlicensed providers. Four Cs has begun a coordinating effort with the central district administration to distribute information about 4Cs at the elementary schools. These efforts should also continue.

The Administrator and Commission should facilitate these publicity improvements in Phase I.

**Recommended Strategy:** Consider establishment of a low-interest loan program for those providers interested in expanding to a large FDCH.

Eliminating the City permit fee application for expanding family day care homes should significantly lower costs for these providers (startup costs for large homes total about \$500, including the \$200 City fee but not increased insurance costs). However, if the startup rate for new large family day care homes has not significantly increased by the end of Phase I, the Commission and the City should consider establishing a low-interest loan fund to help providers with other significant startup costs--fire prevention materials and increased liability insurance needs. There does not appear to be a demand for funds to rehabilitate homes in order to expand care, as in some older Bay Area cities.

**Recommended Strategy:** Consider subsidies for a portion of the operating expenses of family day care homes that increase their slots for infants and school age children.

School age and infant care is difficult for family day care providers to offer at fees that both cover their own costs and are affordable for most parents. While furnishing subsidies for operating expenses can be expensive, this option should be considered in Phase II if it is determined that Phase I strategies for increasing the supply of infant and school age care need to be supplemented.

### **In-Home Caregivers**

A great deal of child care in Fremont is provided in people's homes by caregivers who serve a single family or two to three families in a share situation. Many parents prefer these type of arrangements to a family day care home or center setting. However, good information sources about available in-home caregivers are difficult to find. In order to facilitate such arrangements for parents who want them, the Task Force has developed the objective of offering more information about in-home caregiver options.

**Recommended Strategy: Encourage 4Cs to provide information about "shares," babysitters, and other in-home caregiver options.**

According to its program director, 4Cs already is planning to develop such information in the next few months as part of its resource and referral services. If appropriate, the Child Care Administrator and Commission can work with 4Cs to plan methods for disseminating this information. One model developed by Bananas, the resource and referral agency for northern Alameda County, for example, facilitates matches among parents interested in sharing caregivers through advertising requests and information in a newsletter. Encouraging the development of more in-home caregiver information is a Phase I activity.

### **Special Needs for Care**

Special needs include care for mildly ill children, care for disabled children, and more flexible hours for child care. The Task Force heard many requests for increased options in these areas. However, the Task Force has decided to pursue strategies addressing these problems primarily in Phase II of the implementation period. Important as they are, these generally were not the **most** pressing concerns for immediate action voiced by parents and child care professionals. The exception is the shortage of care for disabled children which, though affecting only a small minority of Fremont families, creates extreme difficulties for these families. The Task Force strongly recommends that programs



serving or planning to serve disabled children receive priority for all the City assistance programs proposed in this report.

The Task Force's longer range objectives in the area of special needs for care are to:

- offer more child care options for sick children;
- offer more care options for disabled children;
- offer more options for part-time care, drop-in care, and evening and night care.

**Recommended Strategy:** Encourage and possibly subsidize "satellite" family day care homes to care for mildly ill children.

**Recommended Strategy:** Educate employers about the need for more leave time to care for sick children.

**Recommended Strategy:** Explore the possibility of assisting a new center for mildly ill children.

There are many models for programs to serve mildly ill children. Parents have different preferences for the types of arrangements they prefer for their sick children. The Task Force has selected these possible strategies based on the preferences indicated by parents and child care professionals interviewed for this study, and developments in offering care for sick children that already have occurred in Fremont.

Many parents prefer their children be placed in a home environment when they are ill. Under a satellite family day care system, a child is enrolled in a network of homes (that can also include centers). One home is available to care for mildly ill children from the network. This approach has been successful in a number of locations. In fact, a member of the Task Force coordinated such a network arrangement in Napa. The Task Force proposes that the Family Day Care Association of South County and 4Cs be encouraged to participate in planning and developing this child care option.

Many parents prefer to stay home with their children during all stages of their illnesses. They contend that the best option is for employers to expand their leave policies so that parents can care for



ill children at home. The level of employer enthusiasm for this idea varies widely. Also, many parents work for small employers who cannot afford to give parents more leave time. Nonetheless, this option should be emphasized as part of the Child Care Administrator's and Commission's educational activities with employers (see Goal I).

Finally, there has been some interest, including interest on the part of two Task Force members and Washington Hospital, in establishing a child care center for sick children. The Administrator and Commission should be available to help and encourage individuals and institutions exploring center as well as other options. The Commission may also consider giving financial support to a center or subsidizing parents who use such a center during Phase II.

**Recommended Strategy:** Develop training for providers to care for disabled children.

**Recommended Strategy:** Encourage providers to work with special education and Regional Center staff to design individual children's service programs.

Several models for training child care providers to work with disabled children have recently been developed in California, and are having considerable success at increasing the options available for these children. The City should review these training models and arrange to bring the most appropriate ones to Fremont. Also, child care workers and parents should be trained in and encouraged to participate in the process by which children with special needs have their Individual Education Plan (for school) or their Individual Program Plan (for Developmental Services' Regional Center) set. This is an important way to see that child care concerns of parents are taken into consideration by these agencies.

**Recommended Strategy:** Promote part-time care, evening and night care, and drop-in care by independent providers.

The Administrator and Commission can publicize the need for these

types of care, especially the needs of employees who work swing and night shifts. Publicizing the demand may lead independent providers to develop more options. The City's efforts can also encourage specific proposals from professionals and parents for how to make care available in these hours.

#### GOAL IV: ENHANCE THE AFFORDABILITY OF CARE FOR LOW-INCOME FAMILIES IN FREMONT

As described in Chapter I of this report, low-income families in Fremont need more affordable child care, despite the array of existing programs designed for these families. The major problem is the severe shortage of child care slots subsidized at levels low-income families can afford. As a result, programs offering subsidized care in Fremont today report long waiting lists for their services.

While even two-income families complain about the cost of child care in Fremont--especially if they have more than one child in care--the expense can be an insurmountable barrier for low-income parents. For the most part, these parents are employed, looking for work, or in employment training. The unavailability of child care can prevent low-income families from achieving self-sufficiency, or may force them to resort to unsatisfactory child care arrangements.

It is unlikely that any new state or federal subsidy programs will appear in the near future. The new GAIN program, which targets AFDC recipients and includes child care among its support services, will probably force many low-income parents who do not use child care now to look for care. While plans for GAIN implementation call for expanding the supply of child care, an increase in the number of people competing for scarce subsidized child care slots can be expected. Since GAIN requires only parents of school age children to participate in the program, the most severe strain will be on afterschool child care services.

To respond to the child care needs of low-income families in Fremont, the Task Force proposes three objectives for child care programming in the area of affordable care:

- offer more fee subsidies to low-income parents;
- promote the use of sliding scale fees by private non-profit and proprietary centers; and
- improve local coordination in applications for government child care funding.

## Fee Subsidies

**Recommended Strategy:** Develop and/or expand vendor-voucher programs that allow parents to choose their providers and that fund child care slots in centers.

The mechanism generally employed for subsidizing the child care fees of a target population is a vendor-voucher program, of which there are two basic models. The first is the "parent choice" model currently used in the state-funded Alternative Payment program. In this model, parents choose caregivers from among licensed providers in the community. The agency that administers the voucher pays the provider directly, usually once a month. This is a flexible model because it allows parents maximum choice and can serve children of any age group, **as long as the supply of care for that age group is sufficient.** Parent choice also can allow parents to obtain care for all the family's children in one facility, thereby avoiding traveling to more than one provider every day.

In addition, quality considerations can be incorporated into a parent choice vendor-voucher program. Quality standards necessarily imply, however, that parents' choices will be slightly restricted or at least guided. In Concord, for example, providers must attain a certain quality rating in order to be eligible to be chosen by parents for the voucher program.

The second vendor-voucher model is the one currently employed in the City of Fremont's contract with the YMCA latchkey program. In this model, the funding agency contracts with a provider to provide a certain number of slots at a below market rate. Unlike the parent choice model, this approach directly contributes to the expansion of a certain program or programs. Therefore, even more than the parent choice model, this model requires careful planning and quality considerations. Ordinarily, slots should be created only for services that are in short supply in the community, such as school age care and infant care.

Since each vendor-voucher model has distinct advantages, the Task Force is recommending adoption of both approaches described above. The City can target certain types of low-income families through the parent



choice program (for example, families on the waiting lists for other subsidy programs or families just above the eligibility levels for these programs). The City also could generate employer contributions to child care for lower paid and single parents in a parent choice approach by encouraging employers to match City payments to families. On the other hand, by funding providers directly, the City would have more control over the quality of programs it chooses for expanding the number of subsidized child care slots. In addition, the City could help alleviate the severe shortage of infant and school age slots by only funding centers for these types of care.

In structuring these vendor-voucher programs, the City will need to ensure effective coordination with existing subsidy programs for low-income families, particularly existing vendor-voucher programs. Waiting lists of these and subsidized center programs should be analyzed carefully to determine precisely what kinds of families are not being served under current programs. Then the City, through the Child Care Commission, will need to set priorities for who should be served by a local program. Because these programs may be supported in part by commercial/industrial development fees, the Task Force recommends that a Fremont program target low-income workers as well as residents of Fremont. In this way, revenues from the development fees clearly will be supporting the child care needs of workers whose jobs have resulted from new development. As with all programs that receive City support, every provider participating in either vendor-voucher program should meet the City's quality standards (more information on these quality considerations is contained in the discussion of Goal V).

The primary parties responsible for implementing these programs will be the Child Care Administrator and the Child Care Commission. They will set priorities for funding, establish an application process for those centers wishing to sponsor subsidized slots, issue requests for proposals, and monitor and evaluate program progress. Because there are several agencies in the Fremont area with experience and expertise in administering parent choice vendor-voucher programs, the City should seriously consider contracting with an outside organization for the daily administration of this program. Direct financial assistance to child care centers should probably remain a City function.

Vendor-voucher programs cost roughly \$3000 per child in full-time care each year. The exact amount depends on the average income of families in the program, and of course on the scale according to which the program subsidizes the cost of care. The average family on State Department of Education Alternative Payment Program child care subsidies in Southern Alameda County is a working single parent family with two children earning less than \$17,000 in gross yearly income, and is required under SDE guidelines to contribute about \$400 per year per child to the cost of care. Fremont might choose to require larger contributions, or might serve families with slightly higher average incomes.

If the City were to serve 50 children per year (which is slightly fewer than the number of children served by the State Alternative Payment or the JTPA programs in Fremont), the cost would be approximately \$150,000 per year (employer matches would defray some of these City costs). The Task Force recommends that the City also earmark additional funds for direct financial assistance to centers for subsidized child care slots. Currently, the City subsidizes 33 school age child care slots at the YMCA programs at a cost of \$25,000 per year (the subsidy for an individual child is equal to a 34 percent discount on the hourly child care rate charged by the YMCA). The City could serve an additional 50 low-income children through this program, for example, at a cost of \$35,000.

Serving an additional 100 children is a modest program goal. It will only meet the needs of approximately 20-25 percent of the families on waiting lists now. Still, this would represent a significant step in tackling a very large and important problem. The Task Force believes fee subsidies for low-income families is a high priority issue in Fremont, and should be implemented as a Phase I priority.

### **Sliding Scale Fees**

**Recommended Strategy: Provide technical assistance with incentive grants to child care centers to promote the use of sliding scale fees.**

Through the use of sliding scale fees, centers could charge their lower-income clients lower fees than those generally charged clients.

Other parents using a program then would subsidize those families paying lower fees in a sliding scale system. Such a system probably would work best in centers, and would also have to be fairly simple and easy to administer, perhaps only incorporating two or three different fee levels.

Sliding fee scales might have benefits for many private programs. They would enable providers to raise their **average** fees, thereby increasing their revenues (and perhaps their staff salaries) without outpricing families who cannot afford to pay more. Since child care costs in Fremont are in the midrange (for infant care ) or among the lowest (for preschool and school age care) in Alameda County, increases in child care fees make sense for Fremont providers and probably will occur anyway. A sliding fee scale system would ensure that any increases are borne by those who can most afford them.

The use of a sliding fee scale entails some administrative costs, as well as the delicate task of asking families to disclose their incomes. The availability of technical assistance and grants covering the costs of initial implementation might encourage many providers to participate. This should be a relatively small-scale program, perhaps offering \$500 incentive grants to centers. If only ten centers participated, that would still cover 25 percent of the child care centers in Fremont at a cost of only \$5,000, not including staff time for technical assistance. The Task Force proposes that the office of the Child Care Administrator be responsible for this program, perhaps utilizing the expertise of Commission members and other knowledgeable people in the community to provide direct technical assistance. The Administrator and Child Care Commission should review applications for technical assistance grants and monitor and evaluate the program's effectiveness. The Task Force recommends implementation of this program in Phase II.

### **Interagency Coordination**

**Recommended Strategy:** Facilitate communication and coordination among appropriate City departments, Fremont Unified School District, and local child care agencies to ensure all state and federal funding opportunities are pursued.



As described in Chapter I of this report, no Fremont agencies currently receive funds from the state's school age child care program (SB303), which supports a combination of subsidized and market rate programs. Application to this program requires a joint effort by local child care providers and the local school district. Improved coordination is needed to ensure that similar opportunities for these and other state and federal funds are not foregone in the future.

An important part of the job responsibilities of the Child Care Administrator will be facilitating interagency communication and coordination in Fremont. Because this effort should be part of larger interagency efforts to improve child care in Fremont, the Task Force recommends implementation of this proposal begin during Phase I.



## GOAL V: IMPROVE THE QUALITY OF CURRENT AND FUTURE CHILD CARE PROGRAMS IN FREMONT

Although there are some outstanding child care programs in Fremont, many parents and child care professionals believe there are serious quality deficiencies in many programs. The exceptionally high turnover among center staff and family day care providers in Fremont is one major detriment to quality child care. Recommended strategies outlined under Goal II to help attract and retain more qualified caregivers should alleviate at least some of these turnover and staffing problems. However, while it is vital that the working conditions and wages of child care providers be improved, it also is important to develop complementary strategies designed to enhance program quality directly.

There are three primary approaches to assuring that the care children in Fremont receive is high quality. First, the community can encourage programs to do a good job by setting standards and creating incentives for them to meet those standards. Second, the community can help child care providers to improve the care they give children by offering training to caregivers and direct assistance to child care programs. The third approach is to offer parents information and support to help them choose good care and monitor its quality.

While these three approaches are not mutually exclusive, and strategies will be recommended in all three areas, the Task Force has decided to emphasize the first two in seeking to improve the quality of Fremont's child care system. Helping parents to select good care may ultimately put low quality providers out of business, but only if enough good care is available from which parents can choose. However, conversations with child care professionals and parents in Fremont--as well as the fact that only a handful of center programs have long waiting lists--indicate that too few options for quality care exist in Fremont. As a result, even if parents know how to select quality care and demand better quality from programs, they still are restricted by the limited choices available.

The Task Force proposes the following objectives for improving the quality of Fremont's child care system:

- using quality standards to guide public contributions to

- child care programs and encouraging adherence to such standards by all programs;
- encouraging and facilitating additional training for providers and program enrichment innovations; and
- improving parent information and education.

### **Quality Standards**

**Recommended Strategy:** Child care programs receiving City support and child care centers proposed by developers/employers in a development review process should be required to adhere to quality standards.

Setting standards is the most direct approach to assuring quality in child care programs. While the State Department of Social Services requires centers and family day care homes to meet minimal standards for licensing, these requirements are primarily intended to ensure children's health and safety. In addition, limited staffing inhibits thorough monitoring for compliance with state regulations.

The Task Force recommends that the City employ its own strict criteria in considering programs for funding, criteria that reflect quality considerations of importance to the community. Any program applying for subsidies to support low-income child care slots, startup loans, wage subsidy matching grants, or any other City funding programs would be required to meet the City's quality standards. These criteria can also be used in evaluating developer/employer proposals for child care programs designed in response to development review requirements outlined earlier in this report (see Goal I for an explanation of this proposed development review process).

In selecting recipients for grants, subsidies, or loans, the City generally will be assessing the quality of programs that are already in operation. However, when considering proposals from developers or employers or applications for startup assistance, the City will have to rely on written plans for programs that do not yet exist. Therefore, the Task Force recommends two evaluative strategies for assessing program quality.

For existing programs, the Task Force proposes that the City rely on quality standards developed by organizations with excellent reputa-

tions in the professional child care community. In the case of infant and preschool centers, specifically, the simplest approach would be for the City to require them to be accredited by the National Association for the Education of Young Children (NAEYC), a national organization that has developed quality criteria. Centers participating in NAEYC's accreditation program undertake a six-step process to achieve accreditation, which includes self-evaluation and a visit to the center by local representatives of NAEYC. Criteria for evaluating centers include staff-child and staff-parent interaction, staff qualifications and development, curriculum, physical environment, and nutrition. Attaining accreditation through the NAEYC can be a lengthy process. In the meantime, as City programs are starting up and developing their criteria for funding, the City can use NAEYC procedures and standards to help rate and choose among child care center programs applying for funding.

Family day care providers, while not eligible to participate in NAEYC's program, could be required to obtain a Child Development Associate (CDA) National Credential, which would provide at least some additional measure of their qualifications beyond those required for state licensing purposes. In addition, the City might want to consider developing its own version of a simple accreditation program. One model is the Quality Assessment Program developed by the Child Care Alliance in Concord, which developed a set of standards for family day care homes as well as centers. However, since this program involves validation teams that visit homes, it may prove impractical in Fremont, where there are more than 200 licensed homes that could conceivably want to participate. Another option is for the City to develop a single accreditation program that rewards providers who participate in training programs (to be described shortly) with some level of accreditation or recognition that can be used by providers in advertising their services and that can enhance their applications for City funding support.

Schoolage programs will require a different set of standards and procedures than those used for evaluating the quality of programs serving younger children. One possibility is the adoption of standards now being developed by the California School Age Consortium. Another possibility is adapting standards being used by other localities to evaluate and rate school age programs. The City of Irvine, for example,



has developed a document, "Guidelines for School-age Child Care," that includes criteria for reviewing the quality of these programs.

The City will not be able to rely completely on many of the quality program standards described above--which are designed to evaluate programs in operation--in assessing the quality of proposed programs that do not yet exist. In these cases, the Task Force recommends the following general areas within which detailed criteria should be developed for determining whether center programs are of high enough quality to merit City funding support:

- specific minimum staff/child ratios that are higher than those mandated by state licensing regulations;
- use of a staff development program;
- preparation of written plans for daily activities, nutrition, health, referrals to other services, parent involvement, administration, financial procedures, and external program review.

Precise minimum standards in the above areas--such as minimal ratio requirements--would be developed by the Child Care Administrator and the Child Care Commission. Criteria developed by NAEYC and other organizations can help refine these standards. However, the Commission and Administrator will have to rely on judgments that can be made from written documents.

As for family day care providers, the City probably should only consider financial assistance to homes already in operation, such as those interested in expanding their services from six to twelve children. These homes would be able to demonstrate a track record of providing quality care to their children. In any case, the start-up costs for small FDCHs are minimal in comparison to those for larger homes.

**Recommended Strategy:** Encourage the use of quality standards throughout the community, and encourage voluntary accreditation for all child care programs.

Any quality standards and procedures developed by the City should be



well publicized. Potential private contributors to programs should be encouraged to use these community standards in guiding their own considerations of child care programs.

In addition, the City should encourage all child care programs to undergo accreditation procedures. By favoring for funding those programs that have achieved accreditation, the City will encourage wider participation in accreditation programs (as far as can be determined, no centers in Fremont are currently accredited by NAEYC). However, the Child Care Administrator and Commission should encourage all programs to undergo this process through publicity and public education campaigns. Voluntary accreditation can help programs attract clients. As the supply of available care increases in Fremont and as some programs begin attaining accreditation, these procedures will become more attractive to programs that want to remain competitive. In addition, for family day care homes that are already having difficulty attracting clients, participation in an accreditation program can enhance their appeal to parents.

### **Training and Program Enrichment**

**Recommended Strategy:** Encourage community institutions involved in training child care providers to expand their programs.

Research conducted for this study has shown that sufficient training opportunities exist for individuals interested in preschool child care. However, child care professionals identified gaps in training for school age care providers, infant care providers, center directors, and family day care providers. Expanding training opportunities in these specific areas may not only lead to improvements in program quality; it will also help recruit workers for these types of positions.

Training programs operated by the community colleges and 4Cs have already undertaken efforts in some of these areas. Most notably, 4Cs has enhanced its training and recruitment program by providing workshops for family day care providers through the California Child Care Initiative, a program that began in early 1987. The community colleges, while they currently do not emphasize training in infant and school age care,

have operated well-regarded training programs for many years.

Because there are community institutions experienced in training, the City's role in this area should primarily be limited to encouraging program expansion by these institutions. Specifically, the City should call upon the community colleges -- in particular, Ohlone College -- to expand its offerings in school age and infant care. In addition, community colleges should explore how most effectively to train center directors in programmatic and administrative topics.

The City should encourage the community colleges in conjunction with 4Cs to continue efforts to train and recruit family day care providers. Because the Child Care Initiative has started up relatively recently, it is too soon to judge how successful this program is in meeting the training needs of family day care providers as well as in recruiting new providers<sup>7</sup>. However, the Task Force's research has shown that family day care providers are isolated and in great need of **ongoing training and support**. The Child Care Initiative has as its primary aim recruiting new providers, not preventing turnover by targeting existing providers for support and training services. Therefore, the City should encourage the community colleges and 4Cs to develop programs that specifically aim to provide these ongoing training services to family day care providers.

Fremont child care professionals also noted that workshops currently offered to family day providers have not been well attended (however, 4Cs states that workshop attendance has improved since additional publicity funding was made available through the Child Care Initiative Program). For its part, the City can encourage improved participation in training programs by offering FDCH providers an **incentive** for their participation. By designing a simple City accreditation procedure that awards providers for their participation in various training programs, the City can officially recognize the training efforts of providers. Accreditation based on completion of additional training programs beyond the minimal levels required by state licensing regulations can help FDCHs in advertising for clients. In addition, as mentioned previously, providers who have achieved City accreditation by completing additional training programs can be rewarded with special consideration in the competition for City grants and loans.

Some parents and child care professionals have expressed concern about unlicensed providers operating in Fremont. The City cannot legitimately support the provision of training programs exclusively targeted to those providers who are illegally caring for several children, beyond encouraging such providers to obtain proper training and licensing. However, there are many legitimate providers working in people's homes or in share situations who are not in the purview of state licensing authorities. These providers may profit from training programs tailored to their needs. The Task Force recommends that the City encourage the community colleges and 4Cs to develop training programs designed for in-home caregivers.

The training efforts described above should be encouraged during Phase I of the implementation period.

**Recommended Strategy:** The City should consider providing release time funds for center staff and family day care provider training.

Before Phase II of the implementation period for the child care policies and programs proposed in this report begins, the Child Care Administrator and Child Care Commission should evaluate the effectiveness of Phase I efforts to encourage more training among child care providers, particularly ongoing training and development for people already working in the field. In addition, the Administrator and Commission together with 4Cs should examine the impact of the Child Care Initiative (a research and evaluation component is included in the project) on the training and retention of family day care providers. If it is determined that additional efforts are necessary, the Administrator and Commission can recommend implementation of a program offering grants to caregivers who wish to further their training. Such a program would remove one of the financial barriers to increased training, the lack of funds to pay for release time for training so that substitute caregivers can be hired. One model for this proposal is the Concord Child Care Alliance's program funding caregivers for training.

**Recommended Strategy:** The City should consider developing a program to provide program enrichment innovations to centers and family day care



homes.

Also near the end of the Phase I implementation period, the Child Care Administrator and Commission should reconsider quality levels among Fremont child care programs. At that time, a program to promote enrichment innovations can be proposed.

A model for an enrichment program serving family day care homes is that operated by the Child Care Services Office in the City of Davis. Services include a Reach program, where a teacher goes to homes to offer special activities and counseling; a Morning Out program, where children go out to a nursery school program; Adventures, where they are taken out for field trips and special events; and a book and toy-lending library. This program has one full-time staff person.

Based on interviews with child care professionals, the Task Force believes that an enrichment program for family day care homes in Fremont should emphasize the consultation and training services of a visiting child care professional. Reasons given for low attendance at workshops for family day care providers are lack of time and the difficulty of leaving their homes during the day. Such in-home services could actually operate as a form of training. In addition, a "Reach"-type program could be operated as a joint program with the community colleges and/or 4Cs. Efforts to improve aspects of center programs might include grants to construct outdoor play structures, remodel a worn facility, or offer more nutritious meals.

Evaluation criteria to select recipients of program enrichment assistance in the form of grants are difficult to develop. (These would most likely be child care centers, but could also include homes.) On the one hand, the Task Force is recommending that programs receiving support with City funds adhere to quality standards. On the other hand, the purpose of enrichment grants is to improve the quality of programs. This implies that programs most in need of quality improvement should be targeted for assistance. Appropriate criteria for awarding grants under this program will need to be based on particular quality improvement goals as viewed by the Child Care Commission at the time the program is formally proposed. However, one preliminary suggestion of the Task Force is that centers serving low-income families receive first priority



funding, thus encouraging programs to serve more low-income clients. By combining affordability and quality strategies in this way, the City can more efficiently achieve its goals in both areas.

As with a release time grant program, the size and scope of an enrichment program should be determined once the capacity of the Child Care Fund is clarified during its first year of operation. Costs for the family day care provider enrichment program also will depend on the willingness of the community colleges and other agencies to participate (perhaps several agencies can contribute toward the costs of a staff person).

### **Parent Information and Education**

As described in Chapter I of this report, programs offering referrals, advice, and parent education and counseling do exist in Fremont. Nonetheless, many parents participating in discussion groups sponsored by the Task Force insisted they needed better information about available child care and advice on how to select quality care. Often they were not aware of services already existing in the community. In addition, providers as well as parents pointed to the need for improved communication and understanding among parents and providers about quality issues.

**Recommended Strategy:** Undertake a public awareness and education campaign to highlight quality of care issues and convey information about how to select good care.

A public awareness and education campaign can cover many issues. Based on research for this study, the most important aspects to emphasize in such a campaign are the following:

- **Parent/Provider Interaction** - including the viewpoints of both groups regarding concerns such as quality, communication between parents and providers, parent visits to programs, provider rules and flexibility, structured opportunities for parent participation, and contracts;
- **Selecting Care** - including the broader dissemination of written materials already available from 4Cs and other

agencies;

- **Publicity for Existing Programs and Services** - including the referral, parent advice, and education services offered by 4Cs; parent education classes available at the Fremont Adult School and the area community colleges;
- **Child Care Workers** - including information about the high turnover rate and the need for more caregivers;
- **Child Abuse and Child Sexual Abuse** - including information for parents and providers on how to prevent, recognize, and deal with such incidents, for example, using materials developed this year by the California Child Care Resource and Referral Network.

Vehicles for conducting this campaign might include the City's newsletter, local media, and distribution of publications to parents and providers. These activities can be pursued during Phase I of the implementation period. During Phase II, the Child Care Commission might also sponsor meetings for parents and providers to discuss issues of concern, an activity that might require more of the Child Care Administrator's time.

**Recommended Strategy:** The Child Care Administrator and Child Care Commission should be responsible for eliciting additional parent feedback about child care referral and education services.

As part of its ongoing evaluative functions, the Administrator and Commission should continue to invite parent comments and suggestions for improving child care services in Fremont. In particular, the issues of referral, advice, and parent education should be explored further. Additional feedback can then be used to recommend specific enhancements and needed improvements for existing parent services.

## NOTES TO CHAPTER III

<sup>1</sup>See, for example, S. Burud et. al., Employer-Supported Child Care: Investing in Human Resources (Boston: Auburn House, 1984); J. Fernandez, Child Care and Corporate Productivity (Lexington: DC Heath, 1986); E. Galinsky Investing in Quality Child Care: A Report for AT&T (New York: Bank Street College, 1986); State of California Commission for Economic Development, Child Care: The Bottom Line (Sacramento, 1986.)

<sup>2</sup>San Jose Mercury News, May 28, 1987: "Tenant-hungry Developers Offer Child Care As Bait." The localities with this activity include Milpitas, San Jose, Pleasanton, Sunnyvale, Redwood City, East Palo Alto and Fremont. The Fremont project is One Pacific Plaza which, after recent negotiations between the developers and the City, is erecting a center on a nearby site also being developed by the same company. More recently, two commercial/industrial projects in Berkeley have developed plans for on-site centers, and feasibility studies for at least one major workplace-related center in downtown Oakland are underway.

In the State's 1986 report Child Care and the Bottom Line, cited above, the Pleasanton project is summarized: "Developers of the 860-acre Hacienda Business Park in Pleasanton voluntarily incorporated a four-phase, \$2.5 million child care plan aimed at employees of companies locating within the park. The plan includes a 'state-of-the-art' facility serving 200 infants and preschoolers, its land and construction costs donated by the developers; a community recruiter to expand Pleasanton's programs for school-age children; a child care information and referral agency; and a parent support and resource program.

"Joe Callahan of Callahan, Sweeney and O'Brien (co-developers of the park along with Prudential Insurance Company of America) comments, 'We believe our on-site child care center gives us a marketing advantage in what is a highly competitive marketplace. This is a win-win situation for us, our tenants and the community. We like to think of this as enlightened self-interest.'"

<sup>3</sup>ABAG, Projections '87, as presented in Chapter 2. The annual rate of projected employment increase is higher for the first part of the period, with 2,400 being the two-decade average.

<sup>4</sup>For instance, a 200,000 square foot industrial plant would have approximately 400 employers, of whom approximately 75 would need some form of child care at any one time (18.6 percent of the workforce).

The lease for a typical center for 72 children in Fremont (3750 square feet at \$0.70) is \$2625 monthly, and utilities would be roughly 10 percent of that, or \$263. Thus, the monthly cost is \$2,888, and 35 months would cost \$101,000. The mitigation fee for the above property would be \$100,000.

<sup>5</sup>In a workplace with an average number of employees needing some form of child care at any one time (18.6 percent of the workforce), the one-time mitigation would be equivalent to approximately \$1,350 per employee needing child care. Mean annual cost for a preschool child in full-time care in Fremont is \$3,380. We are not advocating that the



mitigation be distributed in this individualized, across-the-board fashion, simply illustrating its present value as a proportion of total child care costs.

<sup>6</sup>To estimate revenue from its new school construction costs fee on non-residential development, Fremont Unified School District consultants used ABAG projections of square footage absorption of seven categories of real estate in Fremont. The annual average absorption for the five year period 1987-1991 was 1,497,200 square feet. (Office: 194,000; Retail: 415,900; Telecommunications/Utilities: 86,800; Light Industry: 193,700; Heavy Industry: 505,600; Research and Development: 82,500; Warehouse: 14,000).

When the proposed child care fee rates are applied to the ABAG categories, the maximum possible revenue would be \$843,950.

The amount actually raised by the child care fee in its first year will be less, however, due to expected lags in start-up, characteristics of the proposed review process, and the development climate. These factors are very significant but difficult to estimate precisely:

- Projects with demonstrably lower employee density could be assessed well below \$.50 per square foot, as per the proposed rules described in Appendix C. The amount of warehouse space being constructed, for example, is almost certainly a higher proportion of the total than ABAG estimated, and might fall under this provision.
- Some projects already "in the pipeline" of the development process may not be subject to the fee during its first year, and will account for a great deal of absorption of new space. (One Pacific Plaza for example, would be roughly equal to a full year's projected absorption of office space for the entire city.)
- Projects subject to the fee in the first year would not have to pay until their certificate of occupancy, which may come in the second year.
- Overall commercial/industrial construction may not reach ABAG estimates, because of developer choices tied to market conditions (such as high vacancy rates), or because of public policies, such as proposed general plan amendments reducing the amount of industrial land.

We estimate that these factors will reduce the value of the mitigation in its first year over the theoretical maximum by about 40 percent, to \$500,000. This is clearly a rough projection that can be refined as the proposed review process moves closer to implementation.

<sup>7</sup>The program already has recruited 40 new family day care providers in the 4Cs service area (16 in Fremont) in the first six months of operation; its goal is to recruit 60 providers during the first year.



## CHAPTER IV

### CITY ACTIONS TO IMPLEMENT CHILD CARE POLICIES

Improving and expanding child care will involve several different City departments as well as a host of other local government, voluntary and private sector organizations. In order to effectively implement the kinds of recommendations made by the Child Care Task Force, the City should create some new procedures for communication among departments, a commission on child care, and a new staff position. These activities will generate additional financial and human resources for child care. Therefore, a new fund through which these resources can be directed to local programs and families should also be established.

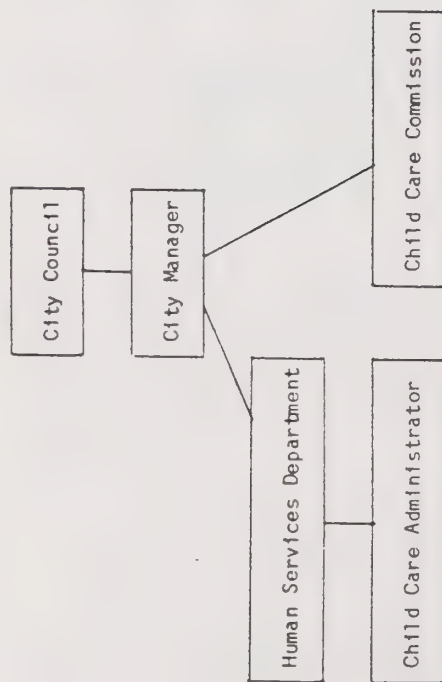
The Task Force's intent in recommending these new steps is to have the City take on support for child care as a regular and substantial part of its affairs. As ongoing tasks of Fremont City government, final authority over policies and resource allocation for child care would reside with the City Manager, Mayor and City Council in the usual manner. Figure 2 presents this proposed organizational structure, as well as showing the range of City departments, commissions, and community institutions that ideally would be involved in implementing the recommendations of this report.

#### **Recommended Strategy: Create a Fremont Child Care Commission**

The range of complex issues faced by the Child Care Task Force over the past year has convinced us that the City needs a permanent citizen's body to review child care issues, oversee related City programs, advise the City Council on policy matters, and provide leadership in the community. The Commission should include a diverse membership representative of the various groups involved in child care issues, much as the Task Force has been, but should not be as large. Appointment of some members of the Task Force to the Commission would ensure continuity, and appointment of non-Task Force members is an opportunity to expand the range of interests actively represented. Individuals who can bring not only relevant experience and leadership skills but the time to actively

Figure 2

WHO WILL BE INVOLVED IN FREMONT'S CHILD CARE PLAN?



Other City Departments/Commissions:

Community Development Department  
 Community Services Department  
 Finance Department  
 Planning Commission  
 Human Relations Commission

Other Community Institutions and Actors:

Fremont Unified School District  
 Community Child Care Coordinating Council (4Cs)  
 Community Colleges  
 YMCA  
 Employers  
 Developers  
 Business and Industrial Organizations  
 Service Clubs  
 Family Day Care Provider Association  
 PTAs or Parent Groups  
 Churches  
 Social Organizations  
 Boys' and Girls' Clubs  
 Sports Programs  
 Jewish Community Centers  
 Agency for Infant Development  
 East Bay Regional Center  
 Resources for Family Development  
 Tri-Cities  
 BART  
 Caltrans  
 AC Transit

participate in building the new programs should be sought.

Once programs for supporting child care have been established, there will likely be competition for scarce resources, as there is in most aspects of City government. The Commission would be the setting in which applications for loans or grants are reviewed, with final authority residing in the City Council. The Commission would also oversee the establishment of community standards for support of child care. Finally, child care commissioners could be representatives of the City in forums with other local agencies, wherein a more coordinated approach to the needs of Fremont's families could be developed.

In all of these functions the Commission would work closely with the new staff person, known here as the Child Care Administrator.

**Recommended Strategy: Create a Staff Position: Administrator of Child Care Policies and Programs**

Several California communities have either established new staff positions for the coordination of child care policy or overseen the creation of new nonprofit organizations oriented to improvement and expansion of local programs. The Child Care Task Force has evaluated these arrangements and determined that creation of a nonprofit organization would be unwieldy and inappropriate in Fremont.

Instead, the Task Force recommends a permanent position be created within the Human Services Department, at the level of Administrator. This staff person will be responsible for supplying information to other City departments and coordinating their actions regarding child care, coordinating the City with other public and private agencies, raising funds for child care, administering or contracting for subsidy programs, raising public awareness of and support for quality child care, facilitating provision of technical assistance to employers and to child care providers, and staffing the Child Care Commission. Human Services is the department best suited to house this new position because of its experience with child care issues, state and federal grants and contracts, recruitment and management of volunteers, and liaison with community service groups.



The work of the child care administrator falls roughly into two categories: a) planning and resource management; and b) program assessment and improvement. Most of the initial year's activity will be in the first category, as policies and programs must be designed and budgets secured. The amount of direct work with providers, employers and others will increase over time as these support and monitoring activities expand. It is essential that the staff person be experienced in planning, public administration, and fiscal management, as well as having a working knowledge of and experience with child care programs and issues. Administrative costs for this proposed position, including clerical support and office equipment, total \$78,000 (a detailed breakdown of these expenses is contained in Appendix D).

Towards the end of Phase I, but in the next fiscal year, the Commission and Child Care Administrator may want to propose establishment of a second position in the Human Services Department to assist the Administrator. The Child Care Assistant would be more involved in direct service work such as training, technical assistance, and program quality assessment and monitoring. The need for these types of activities are likely to increase as the programs proposed in this report get underway. Having an assistant will permit the Administrator to continue to concentrate on the administrative, policy analysis, funding and financial management, and interagency duties that form the bulk of responsibilities for that position.

The following is a summary of the basic responsibilities of the proposed child care administrator. This summary does not repeat all of the many recommended actions described elsewhere in this report in which the child care administrator would play a key role.

#### **Planning and Resource Management**

- **Coordination with Community Development, Public Works, Finance, Community Services and other City departments.**  
The review and mitigation of the child care impact of new development will be carried out by these departments with input from the child care administrator, as described in the previous chapter. This includes review of developer/ employer proposals for child care facilities or employee



financial assistance. The allocation of City funds or amenity fees for child care facilities in new developments or in City buildings (e.g., recreation centers, community centers), should be based partly on data provided by the child care administrator and the child care commission.

- **Intergovernmental relations and liaison with community agencies.** An ongoing interagency forum for joint planning should be set up with the City, Fremont Unified School District, Ohlone Community College District, and other public or publicly-supported entities that provide facilities, training, programs or other components of child care. The administrator should staff this forum and do other liaison work to ensure that the community's opportunities to expand and improve programs are maximized. Among the issues to address in Phase I are: more distribution of resource and referral information at school sites, joint application for state and federal child care funds, and a more comprehensive inventory, evaluation, and assignment of space to child care programs. Beyond the specific tasks, there is plainly a need for better communication among the agencies, which the child care administrator can facilitate (but which will require full participation from all parties.)
- **Fundraising, including making arrangements for nonmonetary contributions.** The staff will need to seek support for child care programs from foundations, local citizens and businesses, and state and federal government. This will supplement the funds coming from various parts of the Fremont City budget, such as Community Development Block Grants, the proposed nonresidential development mitigation fee, the amenity fees for planned residential districts, or other sources.
- **Staff support to Child Care Commission, and to City Council on child care issues.** As described above, the Commission will engage in reviews of applications,

interagency coordination, and discussions of policy that will require input from staff.

#### **Program Assessment and Improvement**

- **Technical Assistance to employers starting or expanding their support for child care.** This includes providing information and advice on employee benefit plans and the feasibility of on-site or near-site child care facilities, on a case-by-case basis. The administrator should work through business organizations to bring employers, especially small businesses, together in consortia to provide child care benefits. Also, the administrator's office should set up a referral file of consultants who can provide more detailed financial, architectural or program design services.
- **Technical assistance to child care providers.** The staff person's work in this area should primarily be to facilitate the provision of assistance by matching interested providers with appropriate resource persons in the community. These services can complement the work of Alameda County 4Cs with family day care providers through the Child Care Initiative Program, and can be carried out by local organizations of center directors, family day care providers, 4Cs, and other interested groups. The Administrator's office may become more directly involved in technical assistance to implement specific City programs, such as the promotion of sliding scale fee systems among centers.
- **Public Education on child care issues.** Printed brochures, a speakers' bureau, workshops, and utilization of local media outlets including the City newsletter are some of the means by which the City can communicate the importance of child care, the requirements of good programs, the opportunities for support available to parents and providers, and other aspects of the overall municipal effort.

- **Program Quality Assessment and Monitoring.** Programs that receive financial support from the City of Fremont will have to meet quality and accessibility standards developed or adopted by the City. The child care office will need to coordinate the process by which these standards are developed and adopted, whether they are based on models provided by state or national professional groups or are generated from local discussions. Once the standards are in place, the office will provide information about them and ways that programs can meet them, and will coordinate the evaluation of applicant programs.

**Recommended Strategy: Establish a New Child Care Fund and Make Specific Budget Proposals**

Several of the recommendations in this report call for new or expanded expenditures on child care programs. The Child Care Commission and staff will be making specific budget allocation requests for Phase I programs such as vendor-vouchers for low-income families and startup costs for a substitute pool. City child care authorities will also have an important role in the allocation of capital improvement funds for municipal facilities to be used in whole or in part for child care programs. These capital expenditures may include new buildings or parts of buildings, portable structures, renovation of existing structures, and equipment for new or expanded programs (see Table 7 for a model budget allocation for the first year).

This report proposes an ambitious set of programs, not all of which will be started at once. A few will be funded with state or federal grants or contracts that have specific guidelines and rules. Others will be the result of municipal decisions to allocate revenue from sources such as the nonresidential development fees, residential development amenity fees, the City's general fund and its capital improvement funds. The City should set up Child Care Fund--a budget category managed by the Human Services Department, the Child Care administrator and the Child Care commission--for those revenues not specifically under the control of another department (e.g., Community



Development Block Grants). The City should develop clear, equitable, and open decision-making processes for all allocations of funds for child care.

There may also be significant advantages to establishing a non-profit organization independent of the City government for the purpose of garnering financial support from foundations, corporations or individuals. The prospects for this approach should be explored during the first year by the Commission and the Administrator.

#### **IMMEDIATE STEPS TO BE TAKEN BY THE CITY COUNCIL**

At this time we ask the Council to make the following resolutions:

- 1) Authorize establishment of the position of Administrator of Child Care Policies and Programs, and appropriate necessary funds to operate that office. In addition, make hiring for this position a top City priority to be accomplished no later than six months after the position is established. In the meantime, the Task Force recommends that funds appropriated for the Administrator position be used for consulting services to pursue program development and implementation activities. Otherwise, continuity and the impetus for resolving child care problems may be lost.
- 2) Authorize establishment of a Child Care Commission.
- 3) Continue the Child Care Task Force until the first official meeting of the Child Care Commission.
- 4) Refer to the Planning Commission and the Recreation Commission proposed General Plan amendments (included in Appendix B) making child care a priority in new development, and public facilities.
- 5) Direct staff to draft a resolution requiring a) review of the impact of new nonresidential development on child care and b) mitigation of that impact by creation of facilities, financial support for employees, or payment of a fee to be used for child care assistance in Fremont.



- 6) Direct staff to draft a resolution requiring the consideration of child care facilities in every residential planned district amenity fee allocation. This resolution should call for a staff report on the past and current allocations of on- and off-site amenity fees and estimates of the amounts projected over the next five years.
- 7) Direct staff to prepare detailed budget proposals for child care programs, facilities, and administration. Proposals should first be developed in the following high priority areas:
  - purchase of portable structures for school age programs;
  - vouchers to subsidize child care fees for low-income families and funds to subsidize slots reserved for low-income families in school age programs;
  - program development and implementation funds for the establishment of additional programs (for example, to cover direct costs to establish and operate programs to stimulate employer-supported child care, development and implementation of quality standards, public education, and a substitute teacher pool.)

The intent of these resolutions is to build on the work of the Task Force and use the next several months to maximum advantage. The staff can design the programs recommended by the Task Force in Phase I and develop the information needed to prepare budgets for the coming fiscal year and applications for state and federal programs. At the end of this initial period the Council will be given proposals and budget requests for specific capital improvement projects and child care support programs for the next fiscal year. Certain items may be ready for City Council action before then and would be placed on the agenda as appropriate.

## APPENDIX A

### PERSONS INTERVIEWED BY BPA STAFF FOR THIS STUDY\*

December 1986 - August 1987

Sue Adams, Family Day Care Provider  
Pat Armes, Parent  
John Baker, Councilmember, City of Fremont  
William Ball, Councilmember, City of Fremont  
Len Banda, Long Range Planner, Community Development Department, City of Fremont  
Nan Bartholomew, Renco Properties, Task Force Member  
Ralph Belluomini, Superintendent, Fremont Unified School District  
Jim Birch, Manager of Human Resources, NUMMI, Task Force Member  
Paul Boas, Former President, Fremont Chamber of Commerce, Former Task Force Member  
Allen Box, Director, Community Services Department, City of Fremont  
Gloria Bucol, Coordinator, Parent Education Program, Fremont Adult School  
Barbara Burri, Director of Early Childhood Education, Ohlone College  
Sharon Calloway, Parent  
Bob Carlson, City Planner, Community Development Department, City of Fremont  
Dr. Terrance Chang, Pediatrician, Task Force Member  
Carol Childs, Director, Tiny Tots Program, Community Services Department, City of Fremont  
Steve Collins, Assistant Superintendent for Instruction, Fremont Unified School District  
Mark Crutcher, Santa Fe Pacific Realty Corp., Task Force Member  
Lisa Curtzwiler, Parent  
Seema Dasgupta, Kids Wonderland  
Sheila Daughton, Family Day Care Provider, Task Force Member  
Dr. Edmundo Davila, Pediatrician, Task Force Member  
Rene Dixon, Community Child Care Coordinating Council (4Cs)  
John Dutra, Councilmember, City of Fremont  
Chip Evans, Parent  
Laynette Evans, Parent  
Becky Farmer, Parent  
Sharon Gerry, Family Day Care Provider  
Jeanne Goucher, Bedford Properties, Task Force Member  
Diane Hambro, Office of State and Federal Programs, Fremont Unified School District  
Bob Harris, Director, Community Development Department, City of Fremont  
Cyndy Hartwick, Parent  
Gwennette Higa, Area Associate, Apple Computer, Task Force Member

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\*This list only includes people interviewed or participating in parent focus groups in Southern Alameda County. Many other child care experts were interviewed as part of this study.

Suzanne Hirogoyen, Parent  
 Nancy Hjelmsstad, Family Day Care Provider  
 Al Jensen, Chief of Human Resources, Washington Hospital  
 Darleen Johnston, Little Mud Puddles Day Care Center  
 Janice Jones, President, South County Family Day Care Association  
 Marie Kaiser, Director, Young Mother's Program, Fremont Unified School District  
 Tom Klipstine, Parent  
 Carol Lamont, Community Development Coordinator, Community Development Department, City of Fremont  
 Tina Landry, Parent  
 Jerry Lapiroff, Teacher, Fremont Unified School District  
 Carol Ann Lemon, Parent  
 Kurt Lile, Director, Office of State and Federal Projects, Fremont Unified School District  
 Glenn Lomax, Counselor, Community Child Care Coordinating Council (4Cs)  
 Sgt. Steve Loyd, Fremont Police Department  
 Maria R. Macias, C.S.O., Fremont Police Department  
 Meera Medan, Family Day Care Provider  
 Esther Martinez, Callison Day Home  
 Tim McCarthy, Vice President and Manager of Retail Market Services, First Interstate Bank  
 Shirley Medina, Family Day Care Provider, Task Force Member  
 Barbara Meerjans, Community Development Department, City of Fremont  
 Gary Mello, Councilmember, City of Fremont  
 Joe Mendoza, Manager of Employee Services, Xerox, Task Force Member  
 Jeff Miller, Program Director, Community Child Care Coordinating Council (4Cs), Task Force Member  
 Paul Miller, Executive Director, Tri-Cities Children's Center, Task Force Member  
 David Millican, Director, Finance Department, City of Fremont  
 Gus Morrison, Mayor, City of Fremont  
 Gerald Motaunge, Former Director, Fremont Office, Community Child Care Coordinating Council (4Cs)  
 Tony Nieves, Facility Manager, Fremont Unified School District  
 Rosemary Oliveira, Community Services Department, City of Fremont  
 Jeff Parker, Parent  
 Naomi Parker, Parent  
 Gail Peck, Parent  
 Pete Perry, Executive Director, YMCA, Task Force Member  
 Rose Roach, Parent  
 Inez Ross, Fremont Country Day School  
 Nasira Saifullah, Early Childhood Education Center  
 Gordon Sanford, Parent  
 Paulette Sanford, Parent  
 Kate Scholz, Member of the Ohlone College Board, Director of Newark After-School Child Care Program, Task Force Member  
 Roger Shanks, Community Development Department, City of Fremont  
 Laura Slagle, East Bay Christian Montessori  
 Phyllis Smith, Parkmont Day School  
 Rocio Smith, Director, Agency for Infant Development  
 Sue Sponsel, Parent  
 Judy Thomas, Owner, The Learning Tree, Task Force Member

Carol Thompson, Resources for Family Development  
Judy Venzor, Schoolage Child Care Coordinator, YMCA  
Shelly Villa, Family Day Care Provider  
Barbara Walton, Family Day Care Provider  
Charlene Williams, Director, State Preschool Program, Fremont Unified  
School District  
Maxine Zante, Personnel Manager, Orchid Technology, Task Force Member





## APPENDIX B

### FREMONT GENERAL PLAN POLICIES PROPOSED AMENDMENTS IN SUPPORT OF CHILD CARE

#### Conditions and Trends:

The number of working parents will continue to grow in Fremont, as will the numbers of preschool and school-age children in need of care and supervision outside the home and outside regular school hours.

#### Residential Areas:

##### Principles:

The City and developers of residential properties should support the creation of child care facilities and programs to address the needs of community and neighborhood unit residents.

#### Commercial Areas:

##### Principles:

The City, developers of commercial properties, and commercial employers should support the creation of child care facilities and programs to address the needs of employees.

#### Industrial Areas:

##### Principles:

The City, industrial developers, and industrial employers should support the creation of child care facilities and programs to address the needs of employees.

#### Institutions, Including Public Facilities and Other Primary Activities:

##### Schools:

##### Objectives:

To increase the availability of indoor and outdoor space for child care and extended-day programs for young people.

##### Principles:

Elementary school buildings should be planned to meet the requirements of child care and extended day programs for students and the adjacent neighborhoods.

Recreation, Open Space, and Historical Resources Element:

Principles:

Recreation facilities should be designed wherever possible to include space that is licensable as a child care facility according to State standards and any additional local standards which may be adopted.

## APPENDIX C

### PROCEDURES FOR CHILD CARE IMPACT REVIEW AND MITIGATION FOR NON-RESIDENTIAL DEVELOPMENT

The review and mitigation process will require several steps:

- determining whether a project should be reviewed for child care impact;
- estimating the amount of the mitigation required;
- determining the form of the mitigation, whether in the form of a fee; space and related subsidy; other support for child care of employees, or some combination of these three options.

#### Determination of Need for Review of Nonresidential Development

The Task Force recommends that the Community Development Department carry out the initial review of all proposed nonresidential development to determine if projects result in increased employment and demand for child care. Those projects that can show that there will be no employment on site, or that no present or future employees will use child care, will be considered as having no impact on child care. Such projects would be excluded from any mitigation requirement.

The review process is designed to estimate child care impact as a function of space, where space is an indicator of the number of employees. Guidelines showing square feet per employee for major categories of development should serve as the basis for assessing the demand for child care. The number of net new jobs created by construction of nonresidential space will vary somewhat according to the type of business. It is reasonable, therefore, to vary the estimated child care impacts of different major kinds of development. It is also important to build in a means for projects that are markedly different from the norms to be measured on their particular dimensions. It would be impractical, however, to conduct a survey of each project, partly because the time and effort would not be justified by the magnitude of differences found in most cases, and partly because many projects are not leased at the



time they go through the permit process. Following Fremont, Bay Area, and national data on job density, employment in buildings designated as office development can be assumed to be 250 square feet per employee, and other categories can be assumed to be at a lower density, 500 square feet per employee.<sup>1</sup>

This classification plan means that projects categorized as "high density" could be assessed a mitigation requirement at twice the rate per square foot as those categorized as low density, in order to raise the same amount of support per employee. This is what is effected by the proposal of \$1.00 per square foot for office projects, and \$.50 per square foot for lower density projects. The amount raised is essentially \$250 per employee.

The intent of the process is to evaluate development projects, not employers. It will apply to the creation of net new spaces for employment. If, for example, an employer moved from one site to another in Fremont, the process would come into effect only if a new or expanded facility were built.

Developers of warehouses or other low density projects, who have evidence that the number of employees on-site will be significantly lower than the level assumed in the preceding section, can present the estimated number of employees and have the fee set at \$250 per employee, subject to approval by Community Development. If a project assessed at a low fee subsequently takes out another building permit for improvements that would increase employment on the site, then the higher fee can be applied.

#### Determining the Form of Mitigation

Three types of mitigation are proposed: a fee, provision of space for child care, or other forms of support for employers' child care costs. The three forms may be combined, if that is agreed upon by the developer and the City.

#### Mitigation Option 1: Payment of a Fee

If it is determined that a proposed project will have an impact on child care, the developer can choose to pay a fee. The fee will be \$.50 per square foot for all nonresidential development except office

development, for which the fee will be \$1.00 per square foot.

The fee shall be assessed at the time a building permit is issued. Payment of the fee shall be due upon issuance of a certificate of occupancy. The Task Force recommends that the City explore granting extensions of payment of the fee in circumstances where buildings are not leased, or when a developer agrees to pay a larger total amount in return for the right to pay in installments.

#### Mitigation Option 2: Provision of Child Care Space

The developer or tenant can also choose to provide land and/or a facility for child care in order to mitigate the impact of a project. The facility must be licensable, according to state and local laws, and located on-site or nearby. The developer or tenant shall also provide the facility to a qualified provider with reduced or eliminated charges for rent, utilities, property taxes, building services, or any other charges of any nature. The total value of this contribution by a developer or tenant (including the value of the land, cost of building the facility, cost of any necessary professional services, and the operating subsidy) shall be at least equal to the value of the fee that would have been assessed for the same development. This ratio of fee to in-kind contributions is subject to yearly review by the Human Services Department and can be changed by the City Council upon recommendation from the Human Services Department.

#### Mitigation Option 3: Provision of Financial Assistance for Employee Child Care

A developer may mitigate the impact of a new project by assisting the employees with child care in ways other than by providing space, such as by arranging with employers to provide financial assistance.

This option may be most viable when the developer and major employer on the site are already linked (such as when a company acts as developer of its own building, or a structure is being built to the specifications of a particular client organization).

The developer or tenant can choose to provide assistance with child care as a benefit to the employees working in a new development. This benefit shall involve specific financial assistance for the purchase of

child care services. Such assistance may also include increased information and referral services, but should not be limited to that. The developer must be able to show that occupants of the project will offer this child care benefit over the life of a project or as long as there is a demonstrated need. If the situation changes, a developer or employer can apply to the Human Services Department to demonstrate there is no longer any need for the same level of child care assistance at a given project. If the child care benefit is withdrawn, the developer/employer must pay the fee (but will receive up to 40% credit for the amount of benefit already paid). The total value of this mitigation shall be at least equal to the value of the fee that would have been assessed for the same development. This ratio is subject to yearly review by the Human Services Department and can be changed by the City Council upon recommendation from the Human Services Department.

#### Role of the Human Services Department

If a developer/employer chooses Options 2 or 3, the Human Services Department shall review the proposal and forward its findings to the Planning Department before final approval of a project. This review would ensure that a proposed mitigation helps meet the City's goals and needs for child care. If the Human Services staff deems the analysis of a proposed mitigation sufficiently complex, it has the option of retaining a consultant for the analysis, selected by the City and paid for by the developer.

The City shall establish criteria for on-site or near-site child care centers and the operators of programs in those centers. These criteria should assure that the care provided is of high quality, that the facility is well-designed, and that the program is consistent with the City's overall child care planning objectives. The provider shall be required to demonstrate that reductions in costs made possible by the developer have been specifically used to further the quality of care or its affordability. If a developer proposes an on-site or near-site facility, Human Services and the developer/employer shall agree upon a process for selecting a qualified operator for the new center. If the developer/employer proposes to work with a particular child care operator, their joint proposal shall be subject to a review by Human services



staff. The purpose of these provisions is to ensure that new services are consistent with community child care goals and demand, as well as other local planning standards and priorities.

The City should establish a permanent method for public input to these reviews through the Child Care Commission.

Developers should be encouraged to choose the approach to mitigation which best suits their project design, financing, tenant mix and marketing situation, and which is consistent with the City's child care objectives. The three options may be combined to produce the full mitigation strategy. The Human Services Department should be available to work with developers in developing their mitigation package from the point of their first contact with the City.



## NOTES

<sup>1</sup>The rates of 250 square feet per employee for office development and 500 square feet per employee for other development are consistent with a wide range of studies of comparable properties. They are similar to what has been used in Fremont, including the developer's projections of the number of primary jobs created by One Pacific Plaza, primarily and office and retail project. UrbanPlan, the Fremont Unified School District consultants, used their own survey of Fremont businesses and a 1970 US Department of Transportation (DOT) study ("Estimating Land and Floor Area Implicit in Employee Projections") which surveyed almost 29,000 firms. The City of Berkeley's Office of Economic Development, in its proposed child care mitigation process, cites a 1985 Gruen and Gruen compilation of previous studies, and a U.S. HUD Urban Development Action Grant Study from June 1986, to develop its own standards.

### Square Feet per Employee

	DOT	UrbanPlan	Berkeley Standard    Range	
Office	251	404	275	209-325
Retail	418	684	500	127-1167
Light Industry	420	493	500	433-591
Heavy Industry	n/a	518	500	433-591
Research and Development	785	220	n/a	349-697
Warehouse	n/a	636	n/a	
Telecom/Util	n/a	546	n/a	

Research and development space shows the most variation and is the hardest to classify. The two studies used by the Fremont schools consultants show very disparate R&D estimates, and the Berkeley analysts also found a wide range (349-697) and concluded that the "end use definition varies too much to predetermine." Because of this we are modifying our draft recommendation that Fremont R&D be assessed at \$1.00 per square foot, like office space, and recommending that it be at \$.50.

Office space has the highest density, and the 250 rate is consistent with the range of other studies and standards. The other categories cluster around 500 square feet per employee, with retail showing somewhat more variation than the others.

As noted elsewhere, the review process will have a provision that, upon presentation of specific employee projections, a developer can have the mitigation calculated on the basis of those figures, rather than the \$.50 or \$1.00 rate based on the land use category. This should take care of exceptional projects whose density deviates significantly from the means.

APPENDIX D

COSTS FOR THE CHILD CARE ADMINISTRATOR POSITION

1) Administrative Assistant II:

Annual Salary	\$39,408
Fringe Benefits	<u>7,752</u>
Total	\$47,160

2) Clerk Typist II

Annual Salary	\$19,128
Fringe Benefits	<u>4,342</u>
Total	\$23,370

Total Salaries for Administrator and Clerical Support	\$70,630
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Office Equipment	<u>7,370</u>
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GRAND TOTAL	\$78,000
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